

DOCUMENT COVER SHEET

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Closeout Report

Kandahar Helmand Power Project (KHPP)

COMPONENT 3

Program Support and Program Management



Submitted by: Black & Veatch Special Projects Corporation (BVSPC)
Federal Services Division
Kandahar Helmand Power Project (KHPP)
USAID Contract Number 306-C-00-11-00506-00

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List of Attachments

#	Description (Note: The Section references below are the BVSPC-USAID Contract sections wherein specific deliverable requirements are located.)	Status	In Closeout Package?
a-01	Contract Closeout Procedures Manual (CCPM).	Complete	Yes
a-02	Security Plan [Section F.4.B(A)] - Site Specific.	Complete	Yes
a-03	Implementation Plan - Work Plan (Section F.4.B-B).	Complete	Yes
a-04	Health and Safety Plan and Procedures (Section C.4.6; Section F.4.B-C).	Complete	Yes
a-05	Quality Control Plan (Section C.4.5; Section F.4.B-C).	Complete	Yes
a-06	Warranty Administration Plan (Section C.4.11; FAR 52.246.21).	Complete	Yes
a-07	Construction Manual (Section C.4.10).	Complete	Yes
a-08	Contract/Final Schedule (Section C.4.11; Section F.4.B-C) - COMPONENT Specific.	Complete	Yes
a-09	Photo Album.	Pending	No
a-10	Small Business Utilization Subcontracting Plan (Section H.23; Section J - Attachment 19; FAR 52.219-8).	Complete	Yes
a-11	Operations and Maintenance Manuals (Section C.4.11; Section F.4.B-C).	Not Applicable	N/A

#	Description (Note: The Section references below are the BVSPC-USAID Contract sections wherein specific deliverable requirements are located.)	Status	In Closeout Package?
a-12	Performance Monitoring and Evaluation Plan - each Component, as stipulated by COR (Section C.4.13).	Complete	Yes
a-13	Branding Implementation Plan (Section F.4 B,C; Section D.2).	Complete	Yes
a-14	Environmental Plan (Section H.16).	Complete	Yes
a-15	Environmental Compliance Documentation Schedule (Section H.16).	Complete	Yes
a-16	Environmental Closeout Report (Section H.16) - Site Specific.	Complete	Yes
a-17	Environmental Reports (Section F.4.B-C) - Annual Reports until Mod 10 (16 Feb 2013), and then Quarterly Reports.	Complete	Yes
a-18	Weekly Highlight Report (Section F.4.B-B).	Complete	Yes
a-19	Short Term Report - STTA Trip reports (Section F.4.B-B) - Site Specific.	Complete	Yes
a-20	Design Submittals (Section F.4.B-C) - Site Specific.	Not Applicable	N/A
a-21	Inspection and Equipment Test Reports (Section F.4.B-C) - Site Specific.	Not Applicable	N/A
a-22	Concrete Strength tests: Steel reinforcements test reports (Section F.4.B-C) - Site Specific.	Not Applicable	N/A
a-23	Testing and Commissioning Report (Section F.4.B-C) - Site Specific.	Not Applicable	N/A
a-24	As-built Construction Drawings (Section C.4.11; Section F.4.B-C) - Site Specific.	Not Applicable	N/A
a-25	Training Reports - Component – Specific.	Complete	Yes
a-27	Final Closeout Report (Section C.4.11; Section F.4.B-C).	Complete	Yes
Deliverables for COMPONENT 3 : Program Support and Program Management			
d-01	Operate and maintain camp facilities (site maps and setup information for various project camps).	Complete	Yes
d-02	Provide life support for all camps (food cost lists).	Complete	Yes
d-03	Coordinate, integrate and provide security needs for all camps (Security Plans for sites).	Complete	Yes; See a-02
d-04	Coordinate and provide helicopter support needs for all components and subcomponents (contract details for helicopter support).	Complete	Yes
d-05	Coordinate and provide international transport to Afghanistan for materials and equipment within Afghanistan (contract details for international shipping services).	Complete	Yes
d-06	Coordinate and provide intra-national transport of materials and equipment within Afghanistan (sample of intra-national transport arrangements).	Complete	Yes
d-07	Provide secure laydown and storage area for materials and equipment in Kandahar and at other camps.	Complete	Yes; See d-01
d-08	Provide KHPP management and support (Weekly Reports)	Complete	Yes; See a-18
c-05	Subcontract/Purchase Order Matrix which Indicates Closeout Status.	Complete	Yes
g-06	USAID Final Disposition Instructions.	Complete	Yes
g-07	Complete & Submit Handover/Disposal documents to USAID.	Complete	Yes
m-01a	SUBSTANTIAL COMPLETION: 1) Certificate of Substantial Completion with Schedule of Defects (if applicable).	Not Applicable	N/A
m-01b	FINAL ACCEPTANCE 1) Acceptance of Final Closeout Report	Complete	Yes
m-01c	WARRANTY PERIOD & FINAL WARRANTY INSPECTION: 1) Warranty Certificate.	Not Applicable	N/A



#	Description (Note: The Section references below are the BVSPC-USAID Contract sections wherein specific deliverable requirements are located.)	Status	In Closeout Package?
m-02	Prime Contract original signed copy in files KC.	Complete	Yes
m-03	Copy of all Fully Executed Prime Contract Modifications and Change Orders in electronic folder.	Complete	Yes
m-04	USAID Closing Statement Letter + BV Response Letter.	Not received from USAID	No
m-05	Copy of Closeout Documentation - List of closeout documents uploaded/handed over to USAID.	Complete	Yes
n-05	Submit and Certify Requests for Final Payments - Final Invoice Submission to USAID.	Pending	Will be submitted after final NICRA rate reconciliation

1 KANDAHAR HELMAND POWER PROJECT (KHPP) OVERVIEW

1.1 KHPP Background

The purpose of the Kandahar Helmand Power Project (KHPP) contract, issued by the United States Agency for International Development (USAID) on 09 December 2010, was to increase the supply and reliability of electrical power in the areas in southern Afghanistan served by the South East Power System (SEPS), particularly the City of Kandahar. The contract was to support the SEPS reconstruction and thereby increase the quality of life of people in Kandahar and Helmand Provinces. The KHPP was conceived as a critical component of the United States (US) government's Counterinsurgency (COIN) strategy in southern Afghanistan. KHPP is a part of a larger US government-sponsored program involving multiple USAID Implementers, and the US Army Corps of Engineers (USACE) to improve the SEPS and connect it with other electrical grids in Afghanistan.

A reliable sustainable electric power generation, transmission, and distribution system in Kandahar and Helmand Provinces is an important objective of the Government of the Islamic Republic of Afghanistan (GIROA). The system is expected to fuel economic growth not currently possible, especially in Kandahar City, the second largest city in Afghanistan, and a center for education, health care, manufacturing, and transportation. Kandahar City has an electrical supply shortfall of at least 40 megawatt (MW) for its approximately 850,000 residents.

SEPS, as a system, is composed of multiple generation islands, aged transmission lines, and multiple distribution systems in southern Afghanistan serving 380,000 of the 1.7 million people residing in the region. Diesel generator sets and the Kajaki Hydroelectric Power Plant (HPP) provide the majority of the electric power generation in the system. The 222 kilometer (km) SEPS transmission system operates at 110 kilovolts (kV), medium voltage distribution at 20 kV, and low voltage distribution at 400 volts (V). Kandahar City represents the largest power demand node within SEPS.

The Kajaki HPP was the first significant generation source installed in SEPS. Supported by the US government, Kajaki HPP came online in the mid-1970s. Prior to execution of the KHPP contract, power arrived in Kandahar City through one aged 25 megavolt amperage (MVA) transformer located at the Kandahar Breshna Kot (BK) Substation. USAID began rehabilitation of the Kajaki HPP in 2003. At present, Kajaki HPP provides (at peak production) 32 MW (at high water periods), with 12 MW of power serving Kandahar City and 20 MW of power transmitted to the remaining distribution nodes served by the SEPS transmission backbone.

USAID facilitated the installation of fourteen (14) KTA-50 diesel generators at the BK Substation in late 2003 to supplement generation for Kandahar City during the Kajaki HPP rehabilitation. In 2008, five (5) additional diesel generators owned by Da Afghanistan Breshna Moasessa (now known as Da Afghanistan Breshna Sherkat, or DABS) were installed at BK. This installation was done to increase short term generation capacity, as the rehabilitation efforts at Kajaki HPP had been prolonged due to continued insurgent activities and, the Kandahar City power supply was taking

on increasing importance in International Security Assistance Forces' (ISAFs) counter-insurgency strategy in the area.

As of this report date, the BK Substation diesel generators have a combined generating capacity of 20.5 MW at peak due to new units either provided or installed by USAID. These units consist of the 10.5 MW MTU units, 5 MW of aged derated KTA-50 units, and 5 MW provided by aged derated QSK-60 units. The new 10.5 MW MTU units were installed and commissioned by the KHPP on 21 March 2013.

1.2 KHPP Summary of Scope of Work

The KHPP scope of work initially contained six (6) Components with ten (10) Subcomponents, outlined below which, integrated with other work on SEPS, were designed with the purpose of increasing and improving the sustainability and reliability of electric supply provided by the SEPS:

Component 1. Improve Kandahar Power Distribution System

- Sub-Component 1: Replace the Kandahar Breshna Kot Substation.
- Sub-Component 2: Refurbish Kandahar City Medium Voltage (MV) Distribution System.
- Sub-Component 3: Construct a new Kandahar East Substation to (1) enhance the reliability of the system serving Kandahar, and (2) serve as a receiving point for an expected link between the SEPS and the North East Power System (NEPS), which is Afghanistan's major source of lower cost imported power from the Central Asian Republics).
- Sub-Component 4: Construct a transmission line between the Kandahar Breshna Kot Substation and the new Kandahar East Substation.
- Sub-Component 5: Replacement of Aged Diesel Generators at the Breshna Kot Substation.

Component 2. Build Durai Junction Substation

- Sub-Component 1: Build a new Substation at Durai Junction.
- Sub-Component 2: Procure equipment for additional substations.

Component 3. Program Support and Program Management

Component 4. Transportation, Installation, Operation and Maintenance of Kandahar (also known as Shorandam) Industrial Park Diesel Power Plant (also known as SIPD)

Component 5. Rebuild the Kajaki Dam Substation and Local Distribution System

Component 6. Installation and Commission Kajaki Unit 2

- Sub-Component 1: Perform inventory assessment of Government Furnished Equipment (GFE).
- Sub-Component 2: Repair GFE, provide missing and additional new equipment for completing Kajaki Unit 2 installation.
- Sub-Component 3: Install and commission Kajaki Unit 2.

USAID issued the KHPP contract to Black & Veatch Special Projects Corporation (BVSPC) to provide engineering, procurement, construction, and all material, equipment and/or services necessary to successfully complete each of the Components and Subcomponents in accordance with the requirements of the contract.

BVSPC was tasked with developing appropriate engineering design and construction methodologies, as well as be responsible for procurement, design, construction, quality control, and testing and commissioning. BVSPC was also to provide relevant warranties for each Component and Subcomponent and the support services needed to implement those activities (security, life support, ground and air movements, etc.). One of the key deliverables of the KHPP was the sustainability of the infrastructure being developed. Drawing from previous operation and maintenance (O&M) training programs that BVSPC implemented on behalf of USAID through the Afghanistan Infrastructure Rehabilitation Program (AIRP), BVSPC was required to recommend and, in most instances, implement the training and skills development needed to sustain the efforts undertaken in this contract. In addition, BVSPC was to provide spare parts inventory necessary for DABS to perform the required operation and maintenance (O&M) of installed equipment in each Component and its Subcomponent. These recommendations were, in select instances, to be submitted to USAID prior to initiation of the respective subcomponent, and were to be based on the BVSPC assessment of the capability and intent of the recipient to execute required O&M functions.

The security situation in the southern region of Afghanistan changed as KHPP was implemented. While Regional Command Southwest and the U.S. Marines achieved substantial success in clearing the Upper Sangin Valley in late 2011, thus enabling KHPP to execute the first contractor convoy to Kajaki in several years, the region was impacted by significant increases in anti-government activity in 2011 to 2012 as the GIRoA, with ISAF support, increasingly imposed GIRoA control over the region. As a result, companies and organizations willing to work in the region significantly increased their pricing to accommodate higher risk and security costs by increasing their “risk premium” with their standard pricing. In addition, commodity costs and construction costs increased more rapidly than expected within Afghanistan during 2011. The unexpected cost increases impacted all implementing agencies from KHPP to USACE and diminished the collective capability of all agencies involved to meet initial objectives. Recognizing that budgets would not allow delivery of all Components and Subcomponents, USAID, in concert with Regional Command South, reviewed the KHPP program in mid-2011 to determine what adjustments could be made to retain core program objectives aligned with COIN strategy while

cutting projected costs. This cost review resulted in the realignment and descoping of select project activities. The net result was the descoping of Subcomponents 1.3, construction of a new Kandahar East Substation (located on land adjacent to the closed Cotton Factory (also known as the Textile compound) on the northeast outskirts of Kandahar City) and Subcomponent 1.4, construction of a transmission line between the Kandahar BK Substation and the new Kandahar East Substation, with the intent to transfer these activities to USAID's Power Transmission Expansion and Connectivity (PTEC) program then in development. In addition the scope of Subcomponent 1.2 was adjusted to eliminate planned additional connections to the Kandahar distribution system, thereby avoiding potential "negative COIN impact" until such time as additional sustainable non-diesel based generation could be brought to bear to supply additional customers (Kajaki Unit 2 and the NEPS to SEPS connection to bring lower cost imported hydropower).

The elimination of the substation at Kandahar East and the transmission line was accompanied by a realignment of Subcomponent 1.5, the placement of 14 MTU generators, representing 21 MW of installed capacity at the Kandahar East location. With the implementation of the diesel power "bridging solution" in Kandahar City by US Forces Afghanistan, which added two (2) 10 MW diesel plants in early 2011 operating in separate island modes and, increasing concern regarding the sustainability of additional diesel generation within Kandahar City, the installation of the 14 MTU units was suspended until USAID could further assess the situation. Following the adjustment of KHPP scope, all six (6) original Components remained in the contract, but with the original ten (10) Subcomponents reduced to eight (8).

1.3 KHPP Contract Evolution

Table 1 provides a history of the changes which have occurred in the Prime Contract between BVSPC and USAID as the needs and demands adjusted due to changing ground conditions in order to maximize benefits to the people of Afghanistan.

Table 1: History of Changes in USAID Contract No. 306-C-00-11-00506-00

Contract	Date	Description
Initial Contract Award	09 Dec 2010	This contract will support US Agency for International Development (USAID), Afghanistan Mission's Kandahar Power Initiative (KPI).
Contract Modification 01	01 Feb 2011	The purposes of this modification were to add the following in Section H, Special Provisions/Special Contract Requirements to the listed contract as follows: <ul style="list-style-type: none"> • Use of Synchronized Pre-deployment and Operational Tracker (SPOT) for Contractors Supporting a Diplomatic or Consular Mission outside the United States (Supplement to FAR 52.225-19). • Serious Incident Reporting in Afghanistan. • Gender Integration Requirements.
Contract Modification 02	17 Mar 2011	The purposes of this modification were to: <ul style="list-style-type: none"> • Revise Section B.5: Indirect Cost based on BVSPC latest approved NICRA for FY2010. • Revise Section H.22: Consent to Subcontracts to incorporate the approved Subcontracting Plan dated 28 February 28 2011. • Change the project name from "Kandahar Power Initiative (KPI)" to "Kandahar Helmand Power Project (KHPP)."

Contract	Date	Description
Contract Modification 03	27 Jun 2011	<p>The purposes of this modification were to:</p> <ul style="list-style-type: none"> • Incorporate the following clause: <i>The Contractor shall comply with and adhere to all USAID Afghanistan Implementing Partner Notices. Copies of the notices are provided to implementing partners at the time of issuance. Copies are also available upon request from your Cognizant Contracting Officer.</i> • Remind the Contractor of the recently issued Implementing Partner Notice No. OAA-IP- 2011 – 004 which incorporates Mission Order No. 201.04 entitled, "National Security Screening (Non-US Party vetting)."
Contract Modification 04	17 Jul 2011	<p>The purposes of this modification were to:</p> <ul style="list-style-type: none"> • Incorporate no cost changes in Sections C and F. • Incorporate the FAR Clause 52.209-9 under PART II – CONTRACT CLAUSES. SECTION I – CONTRAT CLAUSES.
Contract Modification 05	19 Jul 2011	<p>The purpose of this modification was to provide funding in the amount of [REDACTED], thereby bringing the total obligated amount to [REDACTED].</p>
Partial Suspension of Work	09 Aug 2011	<p>Partial suspension of work affecting:</p> <ul style="list-style-type: none"> • Subcomponent 1.3 • Subcomponent 1.4 • Subcomponent 1.5 • Component 4
Change Order – Scope of Work	08 Sep 2011	<p>SOW changes affecting:</p> <ul style="list-style-type: none"> • Subcomponent 1.3 • Subcomponent 1.4 • Subcomponent 1.5 • Component 4
Change Order – Amendment 01	20 Sep 2011	<p>Changes affecting:</p> <ul style="list-style-type: none"> • Subcomponent 1.3
Change Order – Amendment 02	22 Sep 2011	<p>Changes affecting:</p> <ul style="list-style-type: none"> • Subcomponent 1.5 - Diesel Generators
Change Order – Amendment 03	01 Oct 2011	<p>Changes affecting:</p> <ul style="list-style-type: none"> • Subcomponent 1.5 – Diesel Generators • Extension of the Submission Deadline
Change Order – Amendment 04	13 Oct 2011	<p>Changes affecting:</p> <ul style="list-style-type: none"> • Subcomponent 1.5 – Diesel Generators
Change Order – Amendment 05	16 Oct 2011	<p>Changes affecting:</p> <ul style="list-style-type: none"> • Subcomponent 1.5 – Diesel Generators
Change Order – Amendment 06	22 Oct 2011	<p>Changes affecting:</p> <ul style="list-style-type: none"> • Subcomponent 1.5 – Diesel Generators
Contract Modification 06	12 Nov 2011	<p>The purposes of this modification were to:</p> <ul style="list-style-type: none"> • Provide incremental funding in the amount of [REDACTED], thereby increasing the total obligated amount from [REDACTED] to [REDACTED]. • Revise Section B.5: Indirect Cost based on BVSPC's approved provisional rates for FY2011. • Revise Sections C, F and J.

Contract	Date	Description
Change Order – Scope of Work	06 Feb 2012	SOW changes affecting: • Subcomponent 1.1 • Subcomponent 1.5
Contract Modification 07	26 Sep 2012	The purposes of this modification were to: • Provide incremental funding in the amount of [REDACTED], thereby increasing the total obligated amount from [REDACTED] to [REDACTED]. • Modify PART I-THE SCHEDULE I. SECTION B-SUPPLIES OR SERVICES AND PRICE/COSTS, paragraph (c).
Contract Modification 08	29 Sep 2012	The purposes of this modification were to: • Provide incremental funding in the amount of [REDACTED], thereby increasing the total obligated amount from [REDACTED] to [REDACTED]. • Modify PART I-THE SCHEDULE I. SECTION B-SUPPLIES OR SERVICES AND PRICE/COSTS, paragraph (c).
Contract Modification 09	30 Sep 2012	The purposes of this modification were to: • Correct Modification 8 to provide incremental funding in the amount of [REDACTED], thereby decreasing the total obligated amount from [REDACTED] to [REDACTED]. • Provide incremental funding in the amount of [REDACTED], thereby increasing the total obligated amount from [REDACTED] to [REDACTED].
Partial Suspension of Work	28 Jan 2013	Partial suspension of work affecting: • Subcomponent 6.3
Contract Modification 10	14 Feb 2013	The purpose of this modification was to revise Sections B, C, F, H, I, J and contract attachments.
Contract Modification 11	29 Sep 2013	The purposes of this modification were to extend the period of performance from 30 September 2013 to 31 December 2013, revise budgets, and clarify deliverables in multiple sections.
Contract Modification 12	24 Dec 2013	The purposes of this modification were to add Subcomponent 6.4, Technical Assistance to USAID on Kajaki Unit 2 on budget implementation until 30 November 2015, and to extend all remaining Subcomponents to 28 February 2014.
Contract Modification 13	6 Aug 2014	The purpose of this modification was to de-obligate funds not needed and to realign CLIN budgets to reflect changes in Tasks and clarifications in Deliverables.
Contract Modification 14	22 Sep 2014	The purpose of this modification was to revise Section H to update the USEPA emissions standard requirement.
Contract Modification 15	31 Jan 2015	The purpose of this modification was to replace Task i in the scope of Component 6, Subcomponent 2 to update the responsibility for repair of GFE equipment.
Contract Modification 16	11 April 2015	The purpose of this modification was to increase the estimated cost and obligated amount, revise the budget levels in Section B, and revise the level of effort for Subcomponent 6.4

See **Attachment m-03** for the documentation listed in the above table.

The key to effectiveness throughout the implementation of KHPP has been to maintain flexibility in order to meet new opportunities to enhance program impact as the succession of operations in southern Afghanistan changed. In partnership with USAID, BVSPC maintained significant flexibility, and made adjustments as needed and directed to deliver significant benefit to the people served by the SEPS.

The following section defines the Closeout Report for Component 3: Program Support and Program Management.

2 COMPONENT 3: PROGRAM SUPPORT AND PROGRAM MANAGEMENT

2.1 Objective

The objective of Component 3 was to provide the “back-bone” management and functional support for the implementation of all other Components and their Subcomponents. As the KHPP progressed and at the request of USAID, the Component 3 budget absorbed all Security and Camp Life Support Services into separate Subcomponent budgets under Component (or Contract Line Item Number (CLIN)) 3. Overall KHPP program support for Quality Control, Safety, Logistics, Subcontracting and Procurement, Property Control, Scheduling and Cost Control, Prime Contract Compliance, Environmental Compliance, Helicopter Support and all other functional field and home office management assigned to these areas, as well as all senior management of the KHPP contract, were consolidated under Component 3.

2.2 Component 3: Task and Deliverables Modifications and Change Order History

Table 2 lists, by date, USAID Task and Deliverables modifications to Component 3. The final Tasks and resulting Deliverables agreed upon by USAID and BVSPC following modifications and change orders are in **bold** within Table 2.

Table 2: Component 3 - USAID Contract Modification History

Source & Date	Tasks	Change & Date
Original Contract 09 Dec 2010	Task i: Adapt the camp site to include a secure perimeter, laydown yard, residence area, parking area, helicopter pad, and utilities. Helicopter maintenance facilities are not required at this facility. Utilize portable unit complexes consisting of offices, dining facility, laundry area, custodial units, and sleeping quarters. Utilities will consist of off-grid power, well water, and septic tank wastewater system.	Deleted and Replaced 14 Feb 2013
Contract Modification 10 14 Feb 2013	Task i: All camps required to meet deliverables within the contract are to include a secure perimeter, laydown yard, furnished office area, furnished residence area, helicopter pad as needed, and utilities (inclusive of internet services). The Contractor is responsible for site identification and demining.	
Original Contract 09 Dec 2010	Task ii: Site identification and demining are the responsibility of the Contractor.	Deleted and Replaced 14 Feb 2013
Contract Modification 10 14 Feb 2013	Task ii: Size of the camps and liaison office and living quarters in Kabul will be sufficient to provide for Contractor personnel supplying program support to all components of the contract.	
Original Contract 09 Dec 2010	Task iii: Camp size will be sufficient to provide for a population of Expatriates, Third Country National (TCN), Cooperating Country National (CCN), and Security Personnel to support all components of this contract.	Deleted and Replaced 14 Feb 2013

Source & Date	Tasks	Change & Date
Contract Modification 10 14 Feb 2013	Task iii: Operate and maintain the camps. Contractor services will include security, food services, generator fuel, septic system pumping, and minor facility repairs.	
Original Contract 09 Dec 2010	Task iv: Operate and maintain the camps. Contractor services will include security, food services, generator fuel, septic system pumping, and minor facility repairs.	Deleted and Replaced 14 Feb 2013
Contract Modification 10 14 Feb 2013	Task iv: Utilize the equipment and materials transferred to the Contractor (see Attachment 16, Project Inventory) to extent possible.	
Original Contract 09 Dec 2010	Task v: Utilize equipment and materials to the extent possible from AIRP Task Order 306-I-08-06-00517-00, Disposition Plan, dated 07 November 2010.	Deleted and Replaced 14 Feb 2013
Contract Modification 10 14 Feb 2013	Task v: The regional camp will be located in the vicinity of Kandahar, and will support planning, field operations, and storage of equipment. The regional camp will also provide logistical and support services to all other camps (Durai Junction, Kajaki, Shorandam Industrial Park (SIP), and other camps as required to meet deliverables) for field life support needs.	
Contract Modification 10 14 Feb 2013	Task vi: The regional camp is to provide coordination and integration support services for static and mobile security as required for all other camps.	
Contract Modification 10 14 Feb 2013	Task vii: The regional camp is to provide logistical services to support secure personnel movement as needed for each camp and shipment of goods as required to meet deliverables under the KHPP, including (a) helicopter transport, (b) international transport of materials, goods and equipment to Afghanistan border points, and (c) intra-national transport of materials, goods, and equipment within Afghanistan.	

Source & Date	Tasks	Change & Date																														
Contract Modification 11 29 Sep 2013	Task viii: Provide budgetary and cost reporting of program support and program management services in accordance with the component breakdown listed in Table 6: Table 6 - Component 3 Subcomponents																															
	<table><tr><th>Subcomponent</th><th>Scope of Work</th></tr><tr><td>03.01</td><td>Kandahar Life & Office Support and Laydown Yard.</td></tr><tr><td>03.02</td><td>Kabul Life Support - Residential and office facilities.</td></tr><tr><td>03.03</td><td>Durai Junction Life Support.</td></tr><tr><td>03.04</td><td>Kajaki Camp, Life, & Office Support.</td></tr><tr><td>03.05</td><td>Shorandam Industrial Park (SIP) Life & Office Support.</td></tr><tr><td>03.06</td><td>Kandahar City Security - Static Security support at AMTEX facility and Breshna Kot Substation; mobile security serving all Kandahar area activities and logistical requirements.</td></tr><tr><td>03.07</td><td>Kabul - Static Security support at Kabul residential and office facilities; mobile security serving all Kabul area activities and logistical requirements.</td></tr><tr><td>03.08</td><td>Durai Junction - Static Security; air marshal security for helicopter flights.</td></tr><tr><td>03.09</td><td>Kajaki - Static Security; air marshal security for helicopter flights.</td></tr><tr><td>03.10</td><td>Shorandam Industrial Park Static Security.</td></tr><tr><td>03.11</td><td>HELICOPTER TRANSPORT Coordinate and provide helicopter Support to contract components.</td></tr><tr><td>03.12</td><td>International Shipping - Coordinate and provide international transport to Afghanistan for materials and equipment.</td></tr><tr><td>03.13</td><td>Intra-national Shipping - Coordinate and provide transport of materials and equipment within Afghanistan between various office and project locations.</td></tr><tr><td>03.14</td><td>PROJECT MANAGEMENT OFFICE (PMO) KHPP Management and Support - Provide effective program support and program management in support of contract components.</td></tr></table>	Subcomponent	Scope of Work	03.01	Kandahar Life & Office Support and Laydown Yard.	03.02	Kabul Life Support - Residential and office facilities.	03.03	Durai Junction Life Support.	03.04	Kajaki Camp, Life, & Office Support.	03.05	Shorandam Industrial Park (SIP) Life & Office Support.	03.06	Kandahar City Security - Static Security support at AMTEX facility and Breshna Kot Substation; mobile security serving all Kandahar area activities and logistical requirements.	03.07	Kabul - Static Security support at Kabul residential and office facilities; mobile security serving all Kabul area activities and logistical requirements.	03.08	Durai Junction - Static Security; air marshal security for helicopter flights.	03.09	Kajaki - Static Security; air marshal security for helicopter flights.	03.10	Shorandam Industrial Park Static Security.	03.11	HELICOPTER TRANSPORT Coordinate and provide helicopter Support to contract components.	03.12	International Shipping - Coordinate and provide international transport to Afghanistan for materials and equipment.	03.13	Intra-national Shipping - Coordinate and provide transport of materials and equipment within Afghanistan between various office and project locations.	03.14	PROJECT MANAGEMENT OFFICE (PMO) KHPP Management and Support - Provide effective program support and program management in support of contract components.	
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Source & Date	Deliverables	Change & Date																														
Original Contract 09 Dec 2010	Deliverable 1: Perimeter security established, utilities commissioned, and housing/support infrastructure functional – 6 months following NTP.	Deleted and Replaced 14 Feb 2013																														
Contract Modification 10 14 Feb 2013	Deliverable 1: Operate and maintain camp facilities. Initiate from NTP through demobilization.																															

Source & Date	Tasks	Change & Date
Original Contract 09 Dec 2010	Deliverable 2: Operate and maintenance of the facility. Initiate at 6 months following NTP through demobilization.	Deleted and Replaced 14 Feb 2013
Contract Modification 10 14 Feb 2013	Deliverable 2: Provide life support for all camps. Initiate from NTP through demobilization.	
Contract Modification 10 14 Feb 2013	Deliverable 3: Coordinate, integrate, and provide security needs for all camps. Initiate from NTP through demobilization.	
Contract Modification 10 14 Feb 2013	Deliverable 4: Coordinate and provide helicopter support needs for all components and subcomponents. Initiate from NTP through demobilization.	
Contract Modification 10 14 Feb 2013	Deliverable 5: Coordinate and provide international transport to Afghanistan for materials and equipment within Afghanistan. Initiate from NTP through demobilization.	
Contract Modification 10 14 Feb 2013	Deliverable 6: Coordinate and provide intra-national transport of materials and equipment within Afghanistan. Initiate from NTP through demobilization.	
Contract Modification 10 14 Feb 2013	Deliverable 7: Provide secure laydown and storage area for materials and equipment in Kandahar and at other camps. Initiate from NTP through demobilization.	
Contract Modification 10 14 Feb 2013	Deliverable 8: Provide KHPP management and support. Initiate from NTP through demobilization.	

2.3 Deliverables

Table 3 lists the deliverables/major contract activities applicable to Component 3 and the dates on which they were scheduled to be completed according to the contract, as well as the dates on which they were actually achieved. As indicated in Table 3, BVSPC submitted its Program Implementation Plan (PIP) within 3 days of the due date. The PIP provided a detailed overview of the expected path BVSPC was to follow in implementing the Prime Contract.

Table 3: Component 3 – Contract Deliverables Scheduled and Achieved Dates

Deliverable / Major Contract Activity	Original Schedule	Date Achieved
Prime Contract Awarded	09 December 2010	
Component 3 NTP received	09 December 2010	09 December 2010
Security Plan	30 days from NTP – 08 January 2011	Initially submitted 04 January 2011. USAID comments provided 15 June 2011.

Deliverable / Major Contract Activity	Original Schedule	Date Achieved
Program Implementation Plan	30 days from NTP – 08 January 2011	11 January 2011
Weekly Highlight Report	Weekly; delivered Tuesdays	Sporadic in timely submittal – all reports submitted and accepted by USAID
Subcontracting Plan	30 days from NTP – 08 January 2011	03 January 2011 – accepted 28 February 2011.
Environmental Compliance Documentation Schedule	60 days from NTP – 07 February 2011	02 February 2011; Final updated schedule submitted 23 September 2013
Quality Control Program	Draft 30 days after NTP – final 15 days after USAID review	Finalized 08 March 2011
Health and Safety Plan and Procedures	30 days after NTP – 08 January 2011	Finalized 22 March 2011
Final Report	30 days after project closeout – 30 March 2014	Original Submittal Date – 26 March 2014; Revision 1 Date – 09 May 2014
Regional Camp perimeter security established, utilities commissioned, and housing/support infrastructure functional	09 June 2011	01 April 2011
Operate and Maintain Regional Camp Facilities	09 June 2011 to Demobilization – 31 December 2013	Completed 31 December 2013

Table 4 lists the deliverables applicable to Component 3, the method by which their delivery was to be verified, the current status of completion, and the location in the appendices of the Deliverable documentation.

Table 4: Component 3 – Contract Deliverables Status

NO.	DELIVERABLE	METHOD OF VERIFICATION	STATUS	ATTACHMENT
1	Operate and maintain camp facilities; initiate from NTP through demobilization.	Site inspections and document review, quarterly reports. (Note: Quarterly Reports eliminated with reliance on more detailed weekly reports and Coordination Meetings.)	Complete	(USAID Letter No. OAA-BVSPC-2012-00175) Attachment m-05

NO.	DELIVERABLE	METHOD OF VERIFICATION	STATUS	ATTACHMENT
2	Provide life support for all camps; initiate from NTP through demobilization.	Site Inspections and document review, quarterly reports.	Complete	Attachment a-18 (Weekly Reports provide documentation of life support deliverable achievement.)
3	Coordinate, integrate and provide security needs for all camps. Initiate from NTP through demobilization.	Site Inspections and document review, quarterly reports.	Complete	Attachment a-18 (Weekly Reports provide documentation of security support deliverable achievement.)
4	Coordinate and provide helicopter support needs for all components and subcomponents. Initiate from NTP through demobilization.	Site Inspections and document review, quarterly reports.	Complete	Attachment d-04 (Daily helicopter manifests document provision of this deliverable.)
5	Coordinate and provide international transport to Afghanistan for materials and equipment within Afghanistan. Initiate from NTP through demobilization.	Site Inspections and document review, quarterly reports.	Complete	Attachment d-05 (KHPP.23.311 Logistics Shipping Reports document the provision of this deliverable.)
6	Coordinate and provide intra-national transport of materials and equipment within Afghanistan. Initiate from NTP through demobilization	Site Inspections and document review, quarterly reports.	Complete	Attachment d-06 (Logistics Shipping Reports document the provision of this deliverable.)
7	Provide secure laydown and storage area for materials and equipment in Kandahar and at other camps. Initiate from NTP through demobilization.	Site Inspections and document review, quarterly reports.	Complete	Attachment d-07 (AMTEX laydown yard Agreement and reference Closeout Reports.)
8	Provide KHPP management and support. Initiate from NTP through demobilization.	Site Inspections and document review, quarterly reports.	Complete	Attachment a-18 (Weekly Reports provide documentation of management and support for deliverable achievement. Included in a-18 are the minutes of weekly coordination meetings between BVSPC and USAID which also document the achievement of this deliverable.)

3 PROJECT EXECUTION

3.1 Organizational Structure and Management Details

The organizational structure which provided support to the KHPP contract under Component 3 includes the Home Office and the Field Organization. The structure of the organization in the field evolved over time to meet changing needs. Charts 1 (a), (b) and (c) below illustrate the final organizational structure applied to the implementation of Component 3.

Chart 1 (a): Home Office Organizational Structure of Component 3

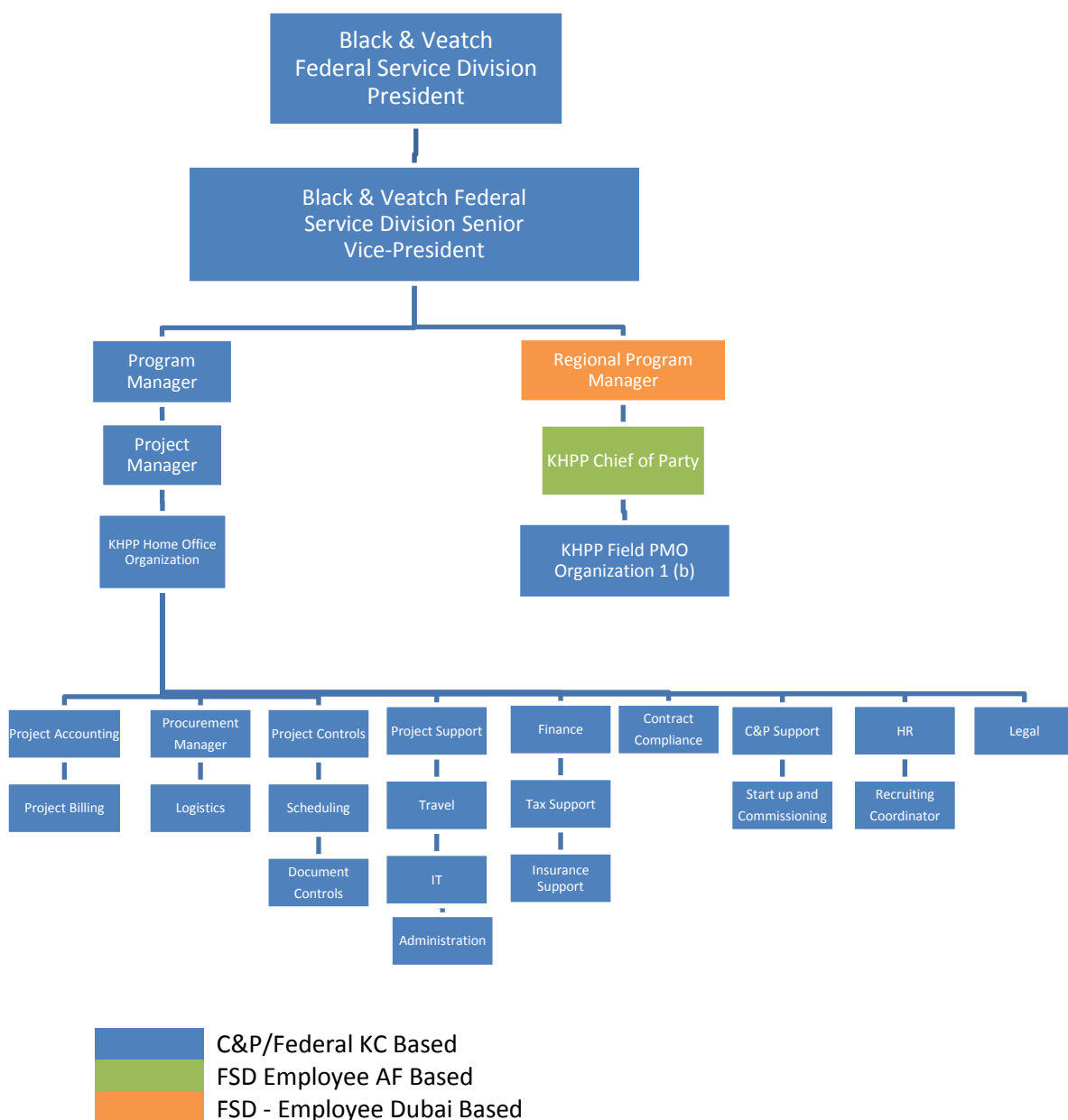


Chart 1 (b): Field Office Organizational Structure of Component 3

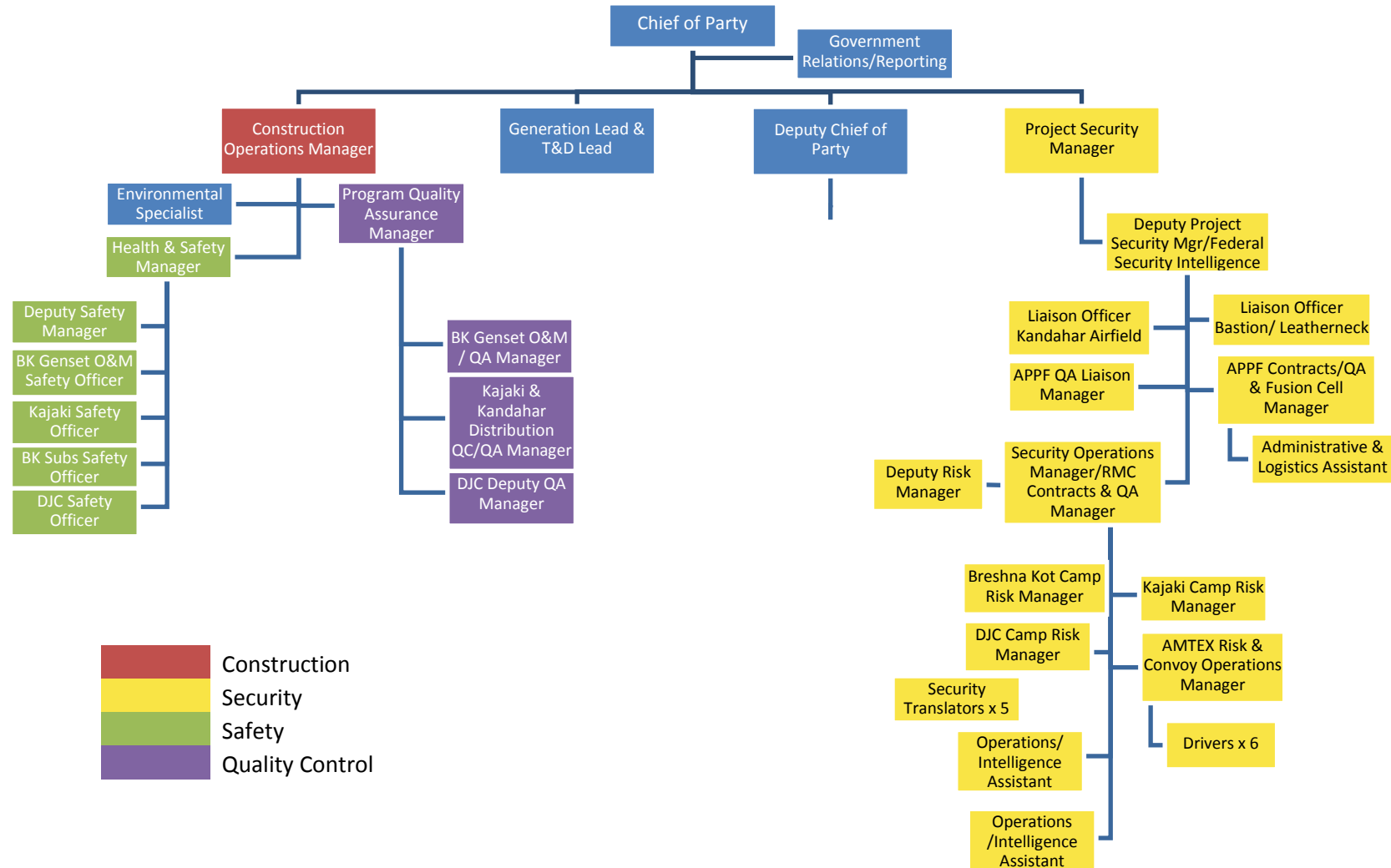
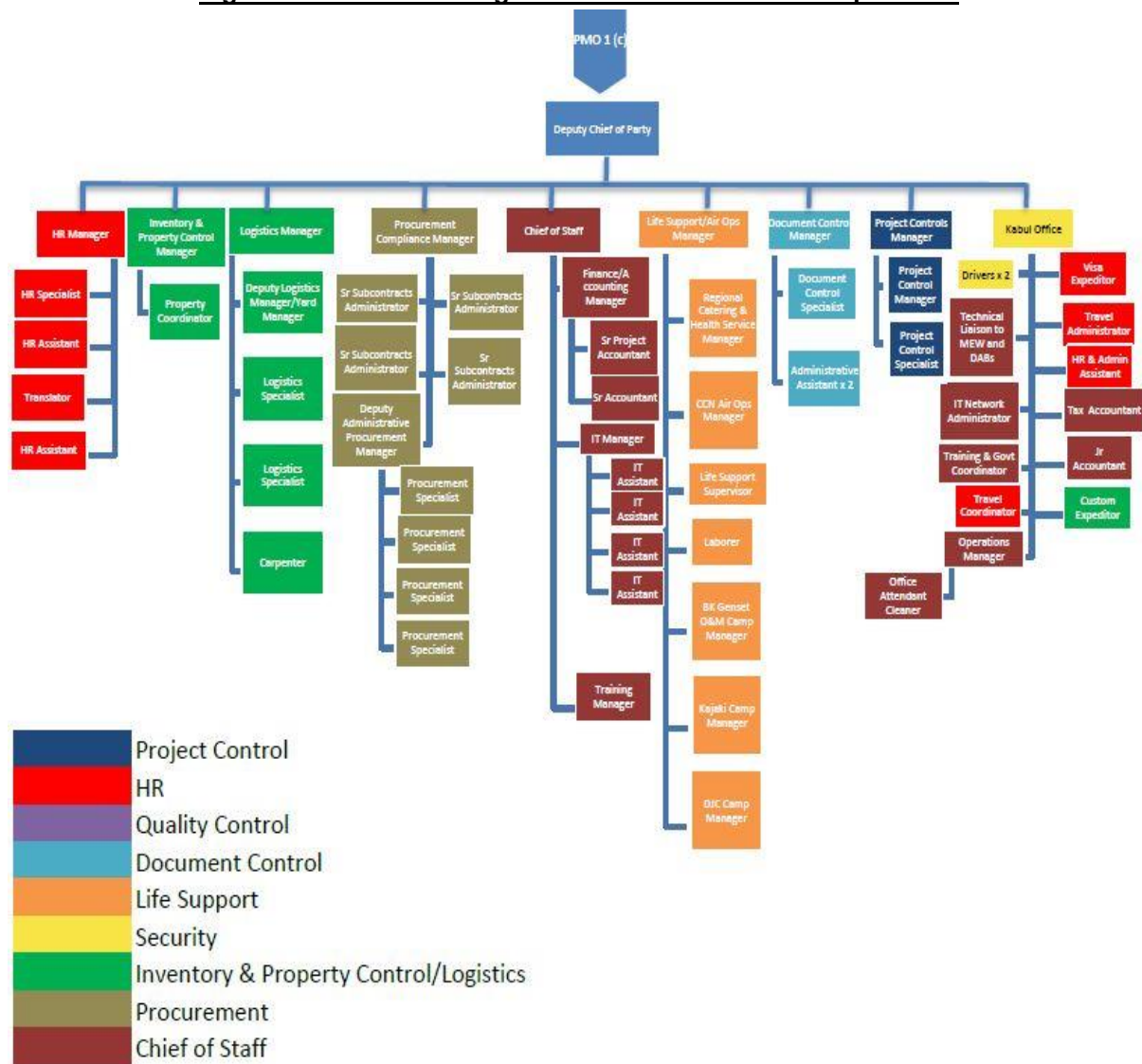


Figure 1: Field Office Organizational Structure of Component 3



The following subsections detail the position descriptions of the senior management staff of KHPP.

3.1.1 CHIEF OF PARTY (John “Jack” Whippen)

The Chief of Party (COP) is the field manager with overall responsibility for ensuring all contract Component and Subcomponent tasks and deliverables as approved and modified by USAID are achieved. The COP is the primary contact and coordinator with USAID and the BVSPC Regional Manager and Program Manager located in the home office. The COP was stationed at the KHPP Project Management Organization (PMO) office located in Kandahar, Afghanistan, and made periodic visits to all project sites. The COP had overall responsibility for the KHPP implementation scope, schedule, and budget as approved by USAID. In addition, the COP was responsible for oversight of all related subcontract management, client coordination and reporting, correspondence with USAID, invoice approval, mobilization of personnel, approval of home office personnel assigned to the KHPP contract and other project management activities in coordination with KHPP home and regional office Program Management. Another important role of the COP was the effective delegation of select tasks to senior level reporting personnel critical to effective implementation.

3.1.2 Electrical Transmission and Distribution (T&D) Lead (Lynn Liikala-Seymore)

The Transmission and Distribution T&D Sector Lead was based at the KHPP Project Management Organization (PMO) office located in Kandahar, Afghanistan, and co-located with and reported to the COP while making periodic visits to project sites. The T&D Sector Lead had the overall responsibility for the implementation scope, schedule, and budget of all T&D Components and Subcomponents as approved by USAID. In addition, the Sector Lead delegated responsibility for all related subcontract management, client coordination and reporting, correspondence, invoice approval, mobilization of personnel, and approval of home office personnel applied to T&D Components and Subcomponents and other project management activities in coordination with KHPP Program Management.

3.1.3 Generation Lead (John Marks, Les Zotzman, Cristian Susnoschi-Luca)

The Generation Sector Lead was based at the KHPP Project Management Organization (PMO) office located in Kandahar, Afghanistan, and co-located with and reported to the COP. The Generation Sector Lead made periodic visits to all KHPP generation sites, and assumed the overall responsibility for implementation of generation Components and Subcomponents. In addition, the Generation Sector Lead delegated the responsibility for all related contract management, client coordination and reporting, correspondence, invoice approval, mobilization of personnel, approval of home office personnel applied to generation Components and Subcomponents, and other

project management activities in coordination with KHPP Program Management.

3.1.4 Government Relations/Reporting Manager (Roberto Bernardo)

The Reports Manager was a senior-level position with responsibilities in Weekly Report communications, reporting on USAID-BVSPC coordination meetings, KHPP Success Story development, branding support, and coordination with USAID.

3.1.5 Construction Operations Manager (Howard Wakefield, Michael Tennyson)

The Construction Operations Manager (COM), reporting to the COP, was responsible for coordination of the safety, construction, testing, and commissioning of all projects within the KHPP, and was usually at the project sites. This coordination included compliance with the schedule, safety, cost, and quality decisions in conjunction with the onsite Construction Manager and Sector Lead. This position was located at the KHPP Project Management Organization (PMO) office in Kandahar, Afghanistan, and co-located with and reported to the COP.

3.1.6 Program Quality Assurance (QA) Manager (Robert Lester, Ross Reyes)

The Program Quality Assurance (QA) Manager implemented and maintained the project quality plans and procedures as filed with and approved by USAID. The Program QA Manager reported to the COM, and served as the quality control interface between project sites, procurement and material inspections, the program office, and assigned Subcontractors/suppliers.

3.1.7 Environmental Specialist (Robert Hooper)

The Environmental Specialist reported to the COM, and was located at the KHPP Project Management Organization (PMO) office located in Kandahar, Afghanistan. The primary function of the Environmental Specialist was to ensure all Primary Contract environmental terms and conditions were met in the implementation of all Components and Subcomponents that required field visits to project sites. The Environmental Specialist provided Subcontractors with information and direction as outlined within contract specifications to allow the work to proceed in an environmentally acceptable manner.

3.1.8 Health and Safety (H&S) Manager (Benny Garza, Thomas Franzoni, Phillip Brundage)

The Health and Safety (H&S) Manager implemented and maintained the USAID approved Safety & Health Plan ("Accident Prevention Plan"). The H&S Manager, located at the KHPP Project Management Organization (PMO) office in Kandahar, Afghanistan, reported to the COM. The H&S Manager focused on achieving zero loss-time accidents, and implemented a KHPP-wide Behavioral Based Safety (BBS) Program. The H&S Manager was also responsible for reviewing all job hazard analysis documents prepared by field staff and Subcontractors.

3.1.9 Deputy Chief of Party (DCOP) (John McGee)

The Deputy Chief of Party (DCOP) reported to the COP, and was responsible for providing oversight and guidance to the project “back-office” support team in finance, procurement, inventory control, logistics, document control, and life support and air operations to ensure proper execution of the project in accordance with the Prime Contract and all policies and procedures of both the KHPP contract and BVSPC.

3.1.10 Project Security Manager (Duke Whittington, John Autenreith, Jack Blackburn)

The Project Security Manager was responsible for developing and maintaining a comprehensive KHPP-wide and site-specific Security Plan and security program to ensure the safety of Black & Veatch &B&V) assets, i.e., professionals and property in various locations throughout Kandahar and Helmand Provinces in Afghanistan. Reporting to the COP, the Security Manager was responsible for management of all security related subcontracts with the Afghanistan Public Protection Force and Risk Management Companies. In addition, the Security Manager was responsible for ensuring coordination with USAID Security professionals, Afghan Security Forces, and the International Security Assistance Force (ISAF), including Regional Command South West (RC-SW) and Regional Command South (RC-S).

3.2 Execution of Work

The execution of the work under Component 3 required, as noted above, significant flexibility to change course as modifications occurred in the various Components and Subcomponents of the KHPP contract and as operations in Kandahar and Helmand Provinces changed during the Component 3 period of performance.

Details of the execution of each task applicable to Component 3 are provided below.

Task i. KHPP Camps/Residential and Work Compounds

All camps required to meet deliverables within the Contract are to include a secure perimeter, laydown yard, furnished office area, furnished residence area, helicopter pad as needed, and utilities (including internet services). The Contractor is responsible for site identification and demining. (Task i partially addresses Deliverables 1 and 7 listed in Table 4 above.)

Status: COMPLETE

BVSPC had six (6) separate work/living camps or compounds related to the KHPP Contract. These facilities included the following:

- 1) Kandahar PMO offices and living units leased at AMTEX Village.
- 2) Kabul PMO offices and living units; rented guest houses leased at Green Village and then at Baron Hotel.
- 3) Kajaki Dam Camp.

- 4) Durai Junction Camp.
- 5) Shorandam Industrial Park Diesel Site Camp.
- 6) Breshna Kot Kandahar Generating and Substation Camp.

Each camp was designed to achieve the specific objectives needed by the camp for the project being supported. All camps provided offices, living accommodations, dining facilities, recreation facilities, radio and satellite phone communication systems, internet systems, and, in select cases, helicopter pads and secured laydown areas. In select instances, living units occasionally served “double duty” as offices for the staff residing in the living units. All camps were secured by the protection standards developed and required by BVSPC to ensure low risk multiple layer protection for BVSPC personnel and Subcontractor personnel onsite. The following tasks provide execution information addressing the establishment of each camp.

Task i(1). Kandahar PMO offices and living units at AMTEX Village

The KHPP contract evolved from the work undertaken as part of the Afghanistan Infrastructure Rehabilitation Program (AIRP), which was a joint venture between The Louis Berger Group (LBG) and BVSPC. At the start of the KHPP, the BVSPC staff was located in Kabul and BVSPC was able, by agreement with the AIRP, to assume two guest houses under the AIRP. The guest houses provided living units, which also served as office space, for the staff.

During the initial 6 months of KHPP contract execution, through June 2011, BVSPC pursued development of its base camp in Kandahar and a needs assessment for maintaining office and living facilities in Kabul. The base camp in Kandahar was designed and tenders were prepared to construct the base camp, along with multiple other Prime Contract implementation support infrastructure facility needs as described below during this period.

As part of the KHPP contract, the Kandahar East Substation was to be located on land adjacent to the closed Cotton Factory (also known as the Russian Power Plant compound) on the northeast outskirts of Kandahar City. This land area was owned by the GIRoA under the control of the Ministry of Commerce and Industry (MOCI). The MOCI provided significant assistance to BVSPC, and ultimately facilitated the conveyance of the Grant of Use of the land for the purposes of KHPP contract execution and long term use by DABS for facilities to be placed on the land. The Grant of Use signed by the MOCI, DABS, the Ministry of Finance, and the Government of the Province of Kandahar provided KHPP control of 367,652 square meters (183.83 Jeribs) of land for use (**see Attachment d-01**). As the KHPP contract was initially structured, the land was designated to also serve as the site for the following facilities:

- Kandahar East Substation.
- Kandahar East Generating Station (Subcomponent 1.5).
- KHPP (Kandahar City Regional Camp - KCRC) Regional Camp.

- KHPP Laydown and material and equipment receiving and marshalling areas for all Components and Subcomponents.
- KHPP helicopter pad.

Significant economies of scale in camp infrastructure and security costs could be achieved by locating multiple deliverables facilities at the same site. All planning and design, as well as tenders, assumed the co-location of the above requirements. From January 2011 to May 2011, efforts were undertaken to persuade multiple national and provincial Government of the Islamic Republic of Afghanistan (GIROA) Ministries and agencies to sign the land use agreement. Final agreements were achieved on 26 May 2011. BVSPC then began to move forward on establishing the required infrastructure support to implement the KHPP component projects expected to be located at the site and elsewhere in Helmand and Kandahar Provinces.

In order to get “boots on the ground” in Kandahar to push project implementation, in 24 March 2011 BVSPC developed an initial short term agreement with a new startup residential camp development called Asia Village (which was renamed AMTEX Village). This camp development provided all life support and security needs for expatriates located in the Kandahar region and was conveniently positioned across the road from Kandahar Airfield, the ISAF mission headquarters in the region. The initial cost was [REDACTED] per room, with a maximum number of rooms set at 20. The agreement with Asia Village was signed following an intensive review of all reasonable, secure, and available housing and life support options in Kandahar. Refer to **Attachment d-01** for the comparative assessment executed in 2011.

A partial suspension of work was issued for Subcomponents 1.3, 1.4 and 1.5 within OAA Letter No OAA-BVSPC-2011-00215 on 9 August 9 2011. The partial suspension previously discussed with USAID prompted BVSPC to reconsider building a base camp. The justification for incurring the expense of building a base camp in the Kandahar region was dependent upon the multiple projects being located at the same location as noted above. The suspension of the Kandahar East activities meant that building our own base camp was no longer economically or logistically feasible.

BVSPC undertook lengthy negotiations with the startup Asia Village as the suspension of Subcomponents occurred. Recognizing the value added by being an anchor client, BVSPC initiated aggressive negotiations with Asia Village for a balanced “deal” on rental costs per unit and associated infrastructure support. A lease (Asia Village) versus buy (build Kandahar City Regional Camp – KCRC) analysis was completed, and a target unit lease price was established which, if achieved, would provide significant savings to the US government.

On 18 September 2011, BVSPC filed a Request for Consent to extend its short term lease at a fixed daily rate of [REDACTED] per room. The term of the agreement was not expected to exceed 3 months pursuant to a long term Lease Agreement being negotiated which was submitted for Consent. The maximum amendment value of the Lease Agreement was not expected to exceed [REDACTED], based on an

estimated occupancy of 51 staff members. On 11 October and then 25 October 2011, BVSPC filed a Request for Consent to enter into a long term lease agreement with AMTEX Village. The consent was received on 26 October 2011.

On 10 November 2011, USAID transmitted its decision to descope the Kandahar East Substation (Subcomponent 1.3) and the Kandahar East to Breshna Kot transmission line (Subcomponent 1.4) to BVSPC. The decision to continue the suspension of the new Generation Station at the Kandahar East site continued during this period. Recognizing the loss in economies attributable to the co-location of multiple projects, BVSPC pursued modifications in its subcontract with Asia Village to continue housing and adding a small laydown area on AMTEX Village land.

During December 2011 and into January 2012, it was determined that locating the Kandahar Base Camp at AMTEX Village provided significant savings, particularly for security costs, once the economies of co-locating multiple KHPP components was lost. BVSPC requested and received USAID consent to amend its subcontract with AMTEX Village and to extend its subcontract with appropriate funding until 30 September 2013. BVSPC subsequently maintained residential and office space at AMTEX Village until 28 December 2013, the final day expatriate staff demobilized from Afghanistan.

The savings in camp life support costs are estimated at approximately [REDACTED] by remaining at AMTEX Village versus building a base camp. The KHPP support infrastructure at AMTEX included a laydown area, multiple offices, and staff accommodations for a maximum of 80 staff (including Risk Management Company staff subcontracted under the KHPP contract). Additional rooms occasionally required at AMTEX for transient staff beyond the guarantee levels of 70 were priced at the same cost as the 70 rooms. The savings noted do not reflect the savings in security costs that would have been incurred to protect the base camp. AMTEX costs included security protection at a depth of four (4) levels.

The area utilized for the training yard was inspected for unexploded ordinance. This inspection was completed per UNMACCA guidelines.

AMTEX Village served as the focal point for all of the KHPP in-country support and management. The AMTEX facility also served as the transient point for all staff moving to other camps and as the logistical support center and material aggregation center for all Components and Subcomponents.

Task i(2). Kabul PMO offices and living units at rented guest houses, Green Village, and then the Baron Hotel

KHPP's initial accommodations and offices were located in Kabul guest houses, as noted above. BVSPC's intent was to not have guest houses or offices in Kabul; however, contract implementation demands did not allow for the complete elimination of a small Kabul presence. Liaison needs with the Afghanistan Public Protection Force (APPF) based in Kabul, customs clearance, work permits and visas meetings with USAID in Kabul, and travel flexibility to bring staff into and through Kabul all

contributed to the need for a small base of support in Kabul. Following intense discussion, USAID agreed with the need to retain this small contingency staff and location.

The selection of housing options in Kabul and Kandahar in early 2011 was directly impacted by Presidential Decree #62 which eliminated Private Security Companies (PSCs). Decree #62 resulted in great difficulty obtaining security services. These issues will be addressed in more detail below under Task iii(1) Security for KHPP but, for purposes here, it should be noted that the KHPP began with limited security due to PSC licensing issues and had to rely upon the security umbrella offered by others when possible.

The first location of the guest houses in Kabul was adjacent to the Dutch Embassy. The security umbrella offered by the Embassy and the ability of the AIRP to directly sublet the housing and offices immediately to BVSPC made selection of housing a simple one to support the rapid mobilization of the KHPP staff. Using this base, BVSPC then sought alternatives in Kandahar while still assessing respective housing and office needs in Kabul with USAID.

Following extensive internal review and a cost-benefit assessment of rental housing, including staff and all subcontracted services to support the guest houses, BVSPC requested of USAID that it be allowed to move to an all-service facility provider who could supply living accommodations, static security, office space and life support for the staff presence in Kabul. The initial facility chosen was Green Village and BVSPC had a short-term lease which did not require Consent. The short-term move was motivated by the need to either extend the housing leases on two guest houses for 1 year or move to a lower cost alternative. The cost-benefit assessment carried out indicated the cost of the two (2) houses, including staff, would far exceed the cost of an all-services camp provider. BVSPC attempted to acquire a longer term contract with Green Village following the short-term relocation of KHPP staff to Green Village. The requirement to vet all subcontracts through the USAID Vetting Support Unit (VSU) by Mission Order 201.04 was implemented on 15 May 2011. When pursuing Consent for a longer term contract with Green Village, Green Village refused to complete the Partner Information Form (PIF) required by the Mission Order. This refusal left BVSPC with no choice but to relocate to an alternate all-services facility which could be vetted.

BVSPC moved the KHPP Kabul-based staff to the Baron Hotel owned by the Dreshak Group. A long term subcontract was initiated, Consent was pursued and received from USAID, and the USAID Vetting Support Unit (VSU) cleared the Dreshak Group. BVSPC maintained offices and living units at the Baron Hotel for support the KHPP, through the 31 December 2013. During the period of July 2013 and December 2013, the number of rooms and offices at the Baron Hotel used to support the KHPP were progressively reduced as implementation activity slowed and the need for “back office” support infrastructure in Kabul declined.

Task i(3). Kajaki Dam Camp

The upgrade of Kajaki Hydro Power Plant (HPP) with the addition of Unit 2 was and still remains a National Priority Project for Afghanistan. Kajaki HPP is located in a hostile area of Helmand Province, and was only minimally safely accessible by helicopter when the KHPP was starting up. Highway 611, which ends at Kajaki HPP and begins near Durai Junction in Helmand Province, was being upgraded from 2010 through 2013, and was subject to intensive Anti-Government Element (AGE) hostile activity. Helicopter transport was heavily relied upon to safely move personnel, support materials, and equipment. The Kajaki Dam Camp has existed since the Kajaki Dam Hydro Power Plant was built in 1972, and was rehabilitated by USAID, through its implementing partners, with additional housing, offices, and enhanced security protection measures from 2003 through 2010.

USAID placed significant importance on the KHPP rapidly assuming care and custody of the existing camp from the AIRP whose contract was ending. BVSPC could not assume care and custody of the Kajaki Dam Camp from the AIRP until the KHPP had a security agreement in place. Presidential Decree 62 (prohibiting PSCs), which is addressed in more detail later in this report, caused significant upheaval in the private security services marketplace. BVSPC was unable to get a PSC subcontract finalized until June 2011, at which time it assumed care and custody of the Kajaki Dam Camp. In assuming care and custody of the site, BVSPC incorrectly assumed an agreement existed between DABS and USAID which allowed BVSPC to assume control of the site. Following various discussions, BVSPC formalized its agreement for site use on 09 September 2012. The site use license agreement provided USAID with a grant of use which clarified USAID and BVSPC's rights to site control. **Attachment d-01** provides a copy of the Site Use Agreement.

For the KHPP, the Kajaki Dam Camp was to provide life support, a laydown and equipment marshalling center for Component 5: Rebuilding the Kajaki Substation and the Local Distribution System, and Component 6: Installation and Commission of Kajaki Unit 2 through three (3) Subcomponents. Subcomponent 6.1 was directed to perform an inventory and condition assessment of the Unit 2 equipment and materials transported to the Kajaki Dam Camp by the AIRP. (Refer to the Closeout Report for Subcomponent 6.1 for additional Information.) Subcomponent 6.2 was directed to repair GFE as required, and to procure and marshal the long lead time the equipment needed for the installation and commissioning of Unit 2 at the site. (Refer to the Subcomponent 6.2 Closeout Report.) Subcomponent 6.3 was directed to install and commission Kajaki HPP Unit 2. Refer to **Attachment a-06, "Status of USAID - USACE Site Sharing Plan for Kajaki Dam (2 Apr 13) Rev 1"** for an inventory of all facilities within the Kajaki Dam Camp site.

The Kajaki Dam Camp site is a very difficult location to access. Refer to overviews of the site and assessment of needs carried out by BVSPC in **Attachment d-06**, which contains a presentation of Kajaki Camp Requirements provided to USAID on 13 July 2011. BVSPC's objective at Kajaki Dam Camp was to prepare the site to absorb all life support and laydown requirements for Components 5 and 6.

The recommendations for upgrading the Kajaki Dam Camp site as provided in **Attachment d-06** were partially implemented, with each particular recommendation being subject to Contract Officer Representative (COR) approval and, depending upon costs involved, Contract Officer Consent. As the deliverables of KHPP relative to Kajaki evolved, the needs to add or upgrade support infrastructure facilities also changed. From the 13 July 2011 presentation when BVSPC was building a new Substation for Kajaki HPP and installing Unit 2 at Kajaki, the deliverables of KHPP were significantly altered. These modifications resulted in progressively reduced plans ultimately directed to supporting the preparation of the Kajaki Dam Camp site for DABS in order to implement various works.

The first upgrade to Kajaki Dam Camp was the upgrade of the “Expat House.” The Expat House was the oldest structure within Kajaki Dam Camp, and required rehabilitation of its structure (windows/doors/kitchen/bathrooms) and utilities (water /septic waste / electric service). These and subsequent Kajaki Dam Camp upgrades were reviewed relative to the extent to which they supported the implementation of Unit 2. (Refer to the Closeout Report for Subcomponent 6.23 detailing all upgrade works.)

The assumption of the Kajaki Dam Camp by BVSPC in June 2011 was complicated by the interest of the United States Army Corps of Engineers (USACE) in implementing its projects at Kajaki Dam. In support of and at the direction of USAID, a proposal was provided for the division of the Kajaki Dam Camp between the KHPP activities and USACE activities on 2 April 2013. The proposal detailed the available facilities at Kajaki Dam Camp, accounted for the installation and commissioning of Kajaki Unit 2, and provided recommendations for camp facility reallocation among USAID and USACE implementers. Refer to **Attachment a-06, “Status of USAID - USACE Site Sharing Plan for Kajaki Dam (2 Apr 13) Rev 1.”**

The area utilized for the camp was inspected for unexploded ordinance, including any areas where construction was required. This inspection was completed per United Nations Mine Action Coordination Center of Afghanistan (UNMACCA) guidelines.

As deliverables under Component 6 evolved, BVSPC received USAID direction to transfer select Kajaki Dam Camp facilities to DABS. The first transfer to DABS occurred on 2 May 2013 when the West Beena barracks (20 living units with furnishings) were conveyed to DABS for their use. Refer to **Attachment g-06** for a copy of the signed Disposition Instructions for the West Beena Barracks and all associated GFE therein.

BVSPC disposed of all Kajaki Dam Camp sites per USAID instructions as part of the transition from Unit 2 installation and commissioning under the KHPP to on-budget implementation by DABS. Refer to **Attachment g-06** for copy of signed disposition instructions applicable to non-Unit 2 GFE which was addressed within the Closeout Report for Subcomponent 6.3. KHPP turned over the Kajaki Dam Camp to DABS’ Construction Management - At Risk (CMAR) Contractor at midnight, 31 December

2013. Note: The disposition of the Kajaki Unit 2 GFE is addressed in the Subcomponent 6.3 Closeout Report.

Task i(4). Durai Junction Camp

The building of the Durai Junction Substation was a project originally under the AIRP and transferred to KHPP when USAID made the decision to consolidate the Kandahar and Helmand Provinces electric infrastructure upgrade implementation projects under one contract. The land agreement and structural requirements for the building of the Durai Junction Camp were well-defined prior to the award of the KHPP contract. **Attachment d-01** provides copy of the land agreements which allocated the Durai Junction Substation site, inclusive of the site for the camp. The land was allocated by the Provincial Government to DABS on the 05 May 2010.

Once BVSPC received a NTP for the work at Durai Junction, immediate attention was directed to addressing a land survey and demining, as needed, for the selected Durai Junction Substation site. Refer to the Closeout Report in Subcomponent 2.1 for additional details on expanded site use actions.

The site for the new Durai Junction Substation was adjacent to the minimal remains of the former Substation, much of which had been destroyed. Faulty land records from the initial BVSPC site survey were not uncommon, resulting in others raising claim to the land and requested compensation for use. All of these requests were referred to the higher authority from the District Governor level to the Helmand Governor level in order to settle these issues. Although multiple attempts were made to gather BVSPC into a settlement process, the settlements were all deferred to the Provincial Government, thus providing an Enhancing Best Practice, or Lesson Learned, to never have an Implementer become involved in land disputes.

The first step in developing a “green field” remote site was to establish the initial Security perimeter in order to allow interior protection development to commence. A security plan specific to Durai Junction was established with the specific perimeter protection requirements needed to begin camp and Substation construction, as will be discussed in further detail below. It was initially BVSPC’s intent to build its own base camp. As the first remote camp to be developed, BVSPC had intended, consistent with Task iv in Table 2 above, to utilize camp accommodation units GFE had transferred to BVSPC by USAID.

Following an assessment of self-perform versus Subcontract, BVSPC requested and received Consent from USAID for the Substation Subcontractor – to build the Durai Junction Camp. Consent was received on 30 June 2011 (OAA Letter No OAA-BV-2011-00171). Fortunately, the Subcontractor selected to build the Substation had a road camp three (3) kilometers from the Durai Junction Substation/camp site. Recognizing the favorable economies, BVSPC awarded and amended the Substation contract to have the Substation Contractor build the Base Camp for KHPP at Durai Junction. The net savings versus a self-perform, based upon an Independent Cost Estimate as indicated in the Request for Consent (RFC), was [REDACTED]. However, this savings underestimates the benefit in having the camp

completed quickly in order to get KHPP staff onsite to expedite the Substation construction as delays in mobilization due to security and other issues had impacted scheduled completion.

The area utilized for the camp and substation were inspected for unexploded ordinance, including any areas where construction was required. This inspection was completed per UNMACCA guidelines.

Attachment d-01 provides an aerial view of the resulting camp with a listing of the facilities provided in order to provide life support at Durai Junction. KHPP staff mobilized to the site on a permanent basis on 01 November 2011. In constructing the Durai Junction Base Camp, BVSPC used new structures in addition to GFE conveyed to the KHPP by USAID. In select instances, the conveyed GFE, particularly camp generators, proved too aged for long-term use. These conditions resulted in multiple replacements of conveyed generators. In addition, the site was built to house a set size team. Additional GFE living units conveyed from USAID were transported to the site as they became necessary. The Durai Junction Base Camp served its purpose between 01 November 2011 and 31 August 2013 when the camp facilities were conveyed by USAID to DABS. (Refer to the Subcomponent 2.1 Closeout Report, **Attachment g-06**, for further details on the equipment and materials conveyed.)

Task i(5). Shorandam Industrial Park Diesel (SIPD) Site Camp

The Task i(5) Shorandam Industrial Park Diesel (SIPD) Camp was located within a small US Army Forward Operating Base (FOB) situated on the Shorandam Industrial Park (SIP) in Kandahar. The FOB had been positioned on SIP in order to support the USACE Subcontractor who had installed and was operating one of the two “bridging diesel plants,” which USACE built in Kandahar City, to supply immediate relief to electric energy shortages within the City. The SIP KHPP Camp was developed in two phases.

The first phase occurred during the construction of the DPP when the U.S. Army provided available barracks-style living accommodations and all life support to the KHPP staff and its Subcontractor. Although unusual and generally avoided to refrain from cross-support among agencies, the need for total control of access and work on the FOB by the U.S. Army led to the U.S. Army providing support to avoid excess support staff at the site. The provision of living accommodations was agreed upon for the period of construction only. Following construction, a new agreement was reached with the FOB for the construction of the SIP DPP Camp, with control of access and support to be provided by the U.S. Army. As additional military personnel were deployed to the FOB, the US Military was no longer able to provide the same level of life support to the KHPP. Therefore, BVSPC was required to enhance its own life support capability onsite during the Operations and Maintenance (O&M) phase of Component 4 during 2012.

The Shorandam Industrial Park (SIP-SIPD) Diesel Power Plant (DPP) Operations and Maintenance Camp was tendered for construction in September 2011.

Attachment d-01 (SIPD folder) contains the presentation provided to bidders on 21 September 2011. This presentation described the scope of work and schedule requested from bidders, as well as the footprint of the camp.

BVSPC took every opportunity to meet or exceed other tasks as directed by USAID. For the SIPD Camp, existing GFE transferred to KHPP was used to establish the camp, including living space, as well as ablution, recreation, and kitchen facilities transferred from AIRP Camp Eden to KHPP. During 2012 and into 2013, the SIPD Camp was utilized under the KHPP in support of its implementation of Component 4 both pre- and post-Prime Contract Modification 10. (Refer to the Component 4 Closeout Report for additional details.) Upon completion of Component 4 implementation needs, the SIPD Camp was conveyed to support DABS' ongoing operational needs at SIPD as directed by USAID.

Task i(6). Breshna Kot Kandahar Generating and Substation Camp

The Breshna Kot (BK) Camp was established to support implementation of both the construction and O&M periods of the installation and commissioning of seven (7) MTU generating units, and the construction and commissioning of the new Substation at BK. The initial camp at BK was established by Power Generation Solutions (PGS) for the installation and commissioning of the MTU generating units.

Attachment d-01 (BK Camp folder) provides a schematic footprint of the camp as established by PGS. The BK Camp was self-contained, included life support facilities (kitchen and recreation area), and was designed to minimize its footprint given the very limited confines of the BK site.

BVSPC originally intended to replace the camp at BK once PGS completed the installation and commissioning of the MTU generating units. It was the intent of BVSPC to move life support units from SIPD to BK in order to maximize the use of existing GFE. However, the extension of implementation assistance at SIPD as directed by USAID required alternative options be assessed. Minimal GFE life support units remained at the AMTEX laydown yard. BVSPC assessed various options and initially determined that remaining life support units at AMTEX laydown and select units from SIPD could be reallocated to BK. KHPP logistics staff assessed the transportation costs to move the units, and determined it would cost between [REDACTED] and [REDACTED] to transport and install all needed life support facilities. Once transported, BVSPC would be required to install plumbing and electrical support facilities, as well as re-install all camp security and life support structures.

Following extensive discussion, BVSPC came to an agreement with PGS to rent their camp facilities "as is" for KHPP use through the O&M period for the MTU generating units and the construction and commissioning period for the BK Substation. The final negotiated rental costs of the existing camp for the expected period was [REDACTED] per month for an expected total of [REDACTED] for 6 months. The expected period of need ended 31 October 2013. The rental of the camp provided an estimated savings between [REDACTED] and [REDACTED], inclusive of camp construction.

KHPP life support operated and maintained the BK Camp through the end of 31 October 2013. Upon completion, PGS requested (waiving any continuing liability to BVSPC or USAID) that BVSPC hand the keys to the camp facilities to the Managing Director of the Kandahar DABS. The keys were handed over on 31 October 2013. Following handover, KHPP staff continued to visit the BK site as needed on “day trips” from the Kandahar Base Camp at AMTEX Village.

In addition to the above camps, KHPP had two (2) Liaison Officers (LNO) assigned to ISAF Regional Command – South (RC-S) at Kandahar Air Field (KAF) in Kandahar Province, and Regional Command South West (RC-SW) at Camp Leatherneck in Helmand Province. The Liaison Officers lived and worked on the bases, communicating with the KHPP Security Operations Control office at AMTEX Village. The RC-S LNO was housed in a rental unit on KAF, and provided life support by RC-S under a Common Access Card (CAC). The RC_SW LNO lived in available barracks at Camp Leatherneck and was provided life support through a CAC.

Task ii. Kabul Offices and Living Quarters

Size of the camps and liaison office and living quarters in Kabul will be sufficient to provide for Contractor personnel who provide program support to all components of the contract. (Task ii partially addresses Deliverable 1 and Deliverable 7 provided in Table 4 above.)

Status: **COMPLETE**

Task ii: The size of the camps and liaison office in Kabul were sufficient to provide KHPP (Contractor) personnel with all requirements in order to provide program support to all components of the contract.

In the case of the Kandahar Base Camp, living units were leased to provide all inclusive life support services to Project Management Organization (PMO) personnel assigned to the PMO office. In addition, by contract with the Risk Management Company (RMC), BVSPC provided life support to all RMC personnel assigned to the Security Operations Center (OPCEN) located at AMTEX Village and RMC personnel assigned to mentoring the Afghanistan Public Protection Force (APPF) Personal Security Detail (PSD) used for KHPP staff movement in Kandahar. The lease guarantee provided by BVSPC was for seventy (70) rooms, with any additional rooms at the same per unit price of [REDACTED] per day inclusive of all life support services. The price of the rooms remained until the level of occupancy fell below 50 rooms, at which time the lease rate increased by [REDACTED] per day per room. **Attachment d-01**, in the Kandahar Base Camp folder, includes a copy of the lease agreements applicable to the Kandahar Base Camp with the rate schedules applicable to levels of occupancy.

In addition to the permanent staff assigned to the base camp, BVSPC maintained the capability to address transient needs as expatriate and local (Cooperating Country National, or CCN) staff from alternative sites transited through Kandahar Base Camp on “R&R” (rest and relaxation) or holidays to their home bases. BVSPC periodically

forecasted room lease needs in order to minimize cost and ensure the level of guarantee was reduced when appropriate. Refer to **Attachment d-01** in the Kandahar Base Camp folder for examples of both forecasts and notices to AMTEX Village of requested reductions.

The Kandahar Base Camp also served as the PMO office and material and equipment laydown marshalling area for all KHPP Components and Subcomponents. BVSPC leased both office space and laydown space from AMTEX Global Solutions. The amount of office space leased was established by derivation of office needs by functional support staff located at AMTEX. In addition to the living units, office, and laydown space, BVSPC leased space for a Morale, Welfare and Recreation (MWR) Center from AMTEX Village. As noted above, all spatial requirements at KHPP Kandahar Camp were guided by needs forecasts which were updated periodically as necessary.

The laydown area at AMTEX was developed to support all Components and Subcomponents, including the planned marshalling and laydown requirements for the installation and commissioning of Unit 2 at Kajaki Dam. BVSPC adjusted the space leased for laydown to the extent possible as plans and deliverables adjusted. Refer to **Attachment d-01**, Kandahar folder, for documentation of laydown area reduction actions by BVSPC to meet forecasted needs only.

All camps at Durai Junction, BK, SIPD and Kajaki were initially designed and adjusted with specific targeted project needs relative to camp size. Durai Junction, BK, and SIPD camp sizes were sufficient to provide KHPP (Contractor) personnel with all the requirements necessary for program support to the respective Subcomponents of the contract. **Attachment d-01**, the Durai Junction Camp folder, provides an example of the KHPP Execution Plans developed and utilized to ensure the planning needed to optimize camp space while maintaining any expected needs.

The assumption and planning at Kajaki Dam Camp presented a challenge since the support requirements had to account for the proper special needs to implement both Components 5 and the three Subcomponents under Component 6. The initial plan for Kajaki Camp anticipated the requirement to significantly upgrade and expand the camp to meet all needs. This expansion was complicated by the need to attempt to meet the needs of USACE projects scheduled to occur simultaneously with KHPP component projects. These KHPP component projects would all rely upon the life support provided by the Kajaki Dam Camp. As noted above, BVSPC provided USAID with options and multiple assessments to optimize the Kajaki Camp size to meet all requirements.

The liaison office in Kabul was determined to be necessary in the implementation of the KHPP. BVSPC worked with USAID to determine the staffing necessary to support the Kabul liaison office. The only expatriate personnel required were a Security Liaison with the APPF and one Personnel Manager to oversee local staff responsible for visa and work permit applications, travel arrangements, and processing and tracking customs clearances. The CCN staff was limited to positions

in personnel, finance (KHPP's bank services were headquartered in Kabul), visas, travel, customs and work permit processing staff and liaison staff working with DABS, APPF and the Ministry of Energy and Water. The KHPP had three offices shared by all staff and, had a guaranteed occupancy in life support units of initially six (6) rooms (including Risk Management Company APPF Mentors), which were reduced to four (4) living rooms once BVSPC could begin to wind down Kabul liaison needs.

Task iii. Operate and maintain the camps.

Contractor services will include security, food services, generator fuel, septic system pumping, and minor facility repairs. (Task iii addresses Deliverables 1, 2, 3 and 7 provided in Table 4 above.)

Status: COMPLETE

BVSPC operated and maintained the following camps under the KHPP:

- 1) Kajaki Dam Camp
- 2) Durai Junction Camp
- 3) Shorandam Industrial Park Diesel Site Camp
- 4) BK Kandahar Generating and Substation Camp

Task iii(1). Life Support for Camps

The operation and maintenance of camps and the provision of food services, generators and generator fuel, septic system pumping, and minor facility repair and environmental management were the responsibility of the Life Support and Air Operations Manager. The Life Support and Air Operations Manager initially reported to the COP and as the Life Support and Air Operations infrastructure, subcontracts, and work processes were established, the position was assigned to report to the DCOP. BVSPC self-performed all service requirements for the camps indicated. Camp Managers were appointed for each camp with specific job descriptions directed to ensuring quality life support.

Food services for camps were supplied in bulk from Blanket Purchase Agreements (BPA) tendered by the PMO on at least an annual basis. The goal of the tendered BPA approach was to achieve the lowest possible costs per unit for purchases. All food and camp supplies were received at the Kandahar Base camp at AMTEX Village, checked for quality and order confirmation, and then distributed to camps based upon Camp Manager orders. Camp Manager orders were based upon camp occupancy and food and O&M supply (e.g., cleaning and paper products) needs forecasted for a minimum of four (4) weeks. Camp Managers were directed to ensure they maintained adequate supplies in order to prevent a supply or distribution chain disruption from placing camp occupants at risk. (Note: All camps were supplied Meals Ready to Eat, or MRE, for emergency purposes.) Refer to **Attachment d-02** for an example Request for Consent for a life support BPA and a BPA Control Sheet which was the tracking sheet used by the Life Support and Air Operations Manager to control cost and ordering by camps. In addition, BVSPC periodically tracked per person costs to verify the Camp Manager was applying cost control. Refer to **Attachment d-02** in the Kajaki folder for an example of cost control checks.

It was essential for staff to be available for rapid facilities repair, e.g., plumbing, mechanical, and electrical or generators, in order to maintain the camps. Any loss of camp systems posed significant expenses if the system loss resulted in disruption of the capability of field staff to function effectively. The Life Support PMO had one (1) electrician, one (1) plumber, and one (1) carpenter as full time staff. These staff provided maintenance needs across all camps. If a camp generator was experiencing difficulties, KHPP staff assigned to generation was sent out for repair assessment and repair as needed. O&M staff was dispatched as necessary by PSD or helicopter.

As indicated above, the Kandahar base camp and the Kabul Liaison Camp were full-service leased facilities which provided all required life support, including camp O&M.

Task iii(2). Security for KHPP

(Deliverable 3 for Component 3 as provided in Table 4)

The Security requirements for implementing the KHPP included the following:

- Communications, Command and Control structured for the KHPP through a 24 x 7 Operational Control Center (OPS Center).
- Communications, Command and Control structured at each camp directly linked to the OPS Center 24 x 7.
- Establishment and maintenance of a 24 x 7 Liaison capability with ISAF, the Afghan National Police (ANP) and Afghan National Army (ANA).
- Static Security at each of the KHPP Camps (on-the-wire guards 24 x 7).
- Mobile Security (Personal Security Details, or PSD) for the movement of personnel on ground or by air assets.
- Continuously-updated Security Plans for the KHPP and for each camp and PSD movements.
- Security Intelligence capability for 24 x 7 threat knowledge assessment with daily updates to determine PSD movements.
- Capability to respond rapidly to imminent threats or attacks through a rapid response force
- Mentoring of the APPF, with daily training to ensure optimized protection of BVSPC staff and physical assets, including USAID GFE provided to BVSPC.

BVSPC operated under a project-wide Security Plan which was filed with USAID on 04 January 2011. The Security Plan had periodic project-wide updates and site specific security risk updates provided throughout the contract period of the KHPP. Refer to **Attachment a-02** for the final version of the Security Plan.

The KHPP Program Security Manager reported to the COP, as indicated in Chart 1 (b). The Security Manager provided daily Intelligence Reports and had the sole authority to call a stand-down of any specific or all implementation activity under the

KHPP as the result of a security threat. In practice, the Security Manager always discussed such action with the COP prior to implementation.

The Security Manager monitored security threat issues in each theatre of operations through communications with the KHPP Security Intelligence Officers, the ISAF Liaison Officers (whom were privy to select controlled ISAF intelligence), the Risk Management Company Intelligence Officers, and KHPP CCN Security Officers who maintained constant communication with the ANP and ANA. The Camp Security Managers maintained liaisons with local ISAF and ANA and ANP forces and reported to the Program Security Manager in the dispersed KHPP camp locations.

The total security force required was as indicated in Table 5 below (data from January 2013) when BVSPC was implementing all Components and Subcomponents simultaneously:

Table 5: KHPP Total Security Force

Location	Expat / TCN	CCN	TOTAL
BVSPC – KHPP	11	11	22
MONDIAL (RMC)	40	5	45
APPF	0	358	358
Total	51	374	425

Table 5 lists the security resources deemed required following detailed security assessments in order to maintain secure and safe work sites and mobility for KHPP staff and Subcontractor staff. Refer to **Attachment a-02** for the KHPP Security Plan and site specific security plans used to determine security force requirements.

As noted above in Section 3.2, BVSPC was unable to immediately acquire security services for the KHPP following the Notice to Proceed on the Prime Contract from USAID. The uncertainty of the security methodology resulted from Presidential Decree #62, which initially stated that all private security companies would be disbanded, and all security services would be provided under contract with GIRoA. This announcement caused upheaval in the provision of security by all Implementers. BVSPC overcame the initial constraint by having KHPP resources stay within the security umbrella provided by other entities.

On 15 March 2011, the GIRoA (by its representing agency, the Ministry of Interior, or MOI) announced the “bridging strategy” which established the transition date of 22 March 2012 for the termination of all PSCs and the establishment of the Afghanistan Private Protection Force (APPF) as the State-Owned Enterprise that would take over security previously managed by PSCs. This announcement created confusion regarding security services provision available to Implementers.

Within the “bridging strategy” announced, it was expected the APPF would become fully functioning by 21 March 2012. In the interim, select PSCs were re-licensed to continue to provide security services while also transitioning their collective trained

local guard forces to the APPF when agreed upon by the individuals within the forces. BVSPC was tendering with licensed companies to provide security services over the longer term. During this process, BVSPC committed to assisting, within the allowable bounds of USAID funding, the transition to APPF protection while maintaining command and control, which the GIRoA announcement permitted.

The tender process and final selection of a longer term security provider could not proceed, as there was significant uncertainty as to which PSC would or would not be licensed by GIRoA. BVSPC had to completely assume security for Kajaki HPP and the Kajaki Dam Camp area by 14 June 2011. In addition, the KHPP needed security forces, as soon as feasible, for mobile activity in Kandahar (site visits and camp construction) and Kabul, and for transient guest house protection in Kabul; therefore, an interim security solution was pursued until the longer term security tendering process could be implemented.

On a short-term basis, BVSPC directly sourced security by requesting expressions of interest and capability to provide security services and expected cost from HART Security, International Specialized Services/Safenet JV (ISS-Safenet), and Blue Hackle Middle East. This approach was taken on the basis that these companies were listed by the GIRoA as acceptable providers and that their Afghanistan PSC licenses were to be renewed. Based upon the cost proposed and BVSPC's knowledge of their capability in the provincial areas of interest, BVSPC requested Contract Officer Consent to enter into a Subcontract for security service with ISS-Safenet on 21 May 2011. Consent was received on 25 May 2011 to proceed with the award of contract to ISS-Safenet. BVSPC used this bridging short-term contract approach in order to proceed while the uncertainty of which PSC would be licensed by GIRoA continued to be clarified.

The impact of both Presidential Decree #62 and the inability to acquire Security Services until six (6) months after Contract Notice to Proceed from USAID significantly delayed the start-up and schedules of all Components and Subcomponents within the KHPP. This delay reverberated throughout the life of the KHPP, thus impacting all schedules. USAID was formally made privy to this concern but, as time passed, the impact of the delays on each Component and Subcomponent was not factored into the discussion.

BVSPC was able to implement all Components and Subcomponents, but at a much slower pace than desired as a result of the continued uncertainty related to the final outcomes related to Presidential Decree #62. USAID was informed of the issues and assisted to the extent possible while GIRoA worked through the stand-up of the APPF and the transition of PSCs to Risk Management Companies (RMC).

BVSPC's full and open competition for selection of a longer term Risk Management Company began with the issuance of a Request for Proposal (RFP): KHPP.27.1000 on 14 February 2012. The RFP was based on a Lowest Price Technically Acceptable source selection methodology in accordance with Federal Acquisition Regulations (FAR) 15.101-2. The RFP was distributed to a total of six (6) prospective bidders. At

the time, these six potential bidders were the furthest along in obtaining an RMC license and, it included the current private security company, ISS-Safenet. The deadline for submitting proposals was 20 February 2012. Only ISS-Safenet met the deadline, and submitted a proposal on 20 February 2012.

ISS-Safenet's proposal, whose RMC was established as Silk Route Risk Management, was evaluated using the Qualification Criteria established in the RFP. The Silk Route Risk Management proposal was found to be technically unacceptable following careful evaluation by a team of four (4) evaluators; therefore, in accordance with FAR 15.101-2, the pricing was not formally evaluated.

BVSPC then contacted the other potential bidders who had expressed the timeframe for submitting a proposal was too short, and BVSPC asked if an additional week to provide a proposal for them to respond would lead to response. Three companies responded in the affirmative: Edinburgh International, Pax Mondial, and KBSS. The RFP was re-issued as RFP: KHPP.27.1001 to these three suppliers, and they were given until 01 March 2012 to submit a proposal.

BVSPC received two proposals on 01 March 2012. The companies submitting proposals were Edinburgh International Risk Management Company and Mondial Risk Management Company (MRMC). BVSPC assembled four (4) evaluators to review both proposals according to the Qualification Criteria as provided in the RFP. Using the established criteria, the evaluation team determined both Edinburgh International Risk Management Company and MRMC proposals to be technically acceptable. The single most critical factor in selection was the training background of the proposed RMC staff. GIRoA was adamant the RMC could not be a PSC in a "shadow form." The RMC was required to provide training to the APPF and needed to be staffed by personnel with such experience.

As a result of detailed evaluation, BVSPC determined that MRMC's proposal (1) met all eligibility criteria, (2) was substantially responsive and technically acceptable, and (3) was priced on a fair and reasonable basis that offered the best value to USAID-Afghanistan. Pursuant to Task Orders issued to MRMC under the KHPP Risk Management Services Subcontract, the Subcontractor provided the following general scope of services:

- Security program management and Operations Center (OPCEN) services for all Components and Subcomponents under the KHPP.
- Provide armed mentors to train the APPF at Contractor camps and offices at Durai Junction Substation and Kajaki as the APPF provides the services below:
 - Static security
 - ECP control
 - Site patrols
 - External security patrols around the sites
 - Quick Reaction Force (QRF)

- Provide armed mentors to the APPF and security presence for Contractor staff while traveling to and from Kandahar, SIP, BK, and within Kabul in support of the APPF providing the following services:
 - PSD services
 - Convoy escort and protection
 - Mobile escorting teams

Due to the changing events on the ground, BVSPC made the decision, supported by USAID, to move in the direction of acquiring “full service” security service capability at the PMO bases in Kabul and Kandahar. These full service PMO bases provided the needed security to mobilize additional KHPP staff to accelerate Implementation. The Kandahar PMO camp and the Kabul Liaison office were both within full service compounds, which provided life support as well as multiple layers of security. For Kabul and Kandahar camps, this all-inclusive support provided multiple levels of defensive static security perimeters within the per unit cost of the Subcontracts while still reducing KHPP’s costs for security with which it would have been required to subcontract directly.

The following addresses the impact of GIRoA requirements, specifically the economic impact of Presidential Decree #62 which required Implementing Partners (IPs) to cease using PSCs and, in their stead, use the GIRoA-controlled State Owned Enterprise (SOE) Afghanistan Public Protection Force (APPF) and Risk Management Companies (RMC) to act as mentors to the formation and mentoring of the APPF. In addition, the following addresses the impact of the deteriorating security conditions witnessed in southern Afghanistan during the critical years of KHPP implementation.

As indicated in Attachment 14 of the Prime Contract:

“This work is to be performed in Southern Afghanistan in and around Kandahar, Durai Junction and Kajakai over the next three years. All of the site locations are in areas where hostile actions are occurring. Security of personnel and equipment is of the utmost concern. It is understood and agreed by USAID that security conditions in Afghanistan are in a constant state of change and that accurate predictions of future conditions are not foreseeable.”

Throughout the implementation of the KHPP, USAID had been informed of security related delays and the demands being placed on Security resources on a weekly basis. (Refer to **Attachment a-18**, Weekly Reports, and **Attachment d-03**, Daily and Weekly Intelligence Reports folder.) These delays impacted the implementation of select Components and Subcomponents with mission delay (delays addressed within the Closeout Reports of those Components and Subcomponents impacted), as well as requiring KHPP personnel additions needed to best manage the ever changing security threats.

In addition, while the USAID-BVSPC contract was being negotiated, the potential impact the APPF may have on cost for security was unknown. These costs, imposed by unilateral GIRA action, could not be incorporated into the original budget of KHPP, but have had significant effects on cost incurred. These effects impacted two areas. First, the APPF and RMC costs in combination were higher than the expected PSC cost. Second, the management requirements to contract with and then invoice the APPF in addition to the need to constantly interact with the APPF central command on evolving transparent business dealings, imposed the need for additional BVSPC security and contract personnel to address what at times appeared to be infinite issues.

KHPP liaison staff to the APPF played a significant role in assisting the APPF to initiate its managerial and payment processes. The effort to support the development of the APPF was communicated to and supported by USAID. When the APPF was initiated, BVSPC was the first implementing partner under which a transition from a PSC guard force to the APPF occurred. One key commercial contract provision required by the APPF was advance payment for monthly services with month end reconciliation. While this commercial condition was not preferred by either USAID or BVSPC, the condition was required to provide funding for the start-up of the APPF organization.

Based on the subcontract, specific task orders were then authorized for each work site: Kajaki, Kabul, Durai Junction, and Kandahar. The transition to APPF first occurred at Kajaki Dam Camp, and was implemented without issue other than timely pay from the APPF to their guards and incomplete provision of supplies for the guard cadre.

The APPF was consistently late in paying their guard force. BVSPC undertook steps to minimize the impact of late payment to the guards in order to avoid site work disruption issues. The single most effective steps were to persuade APPF to agree that they could not feed their guards at remote camps, which was the case. The APPF agreed to deduct the food payment portion of their invoice and allow BVSPC to pay food costs directly through the RMC to the guard cadre. This step guaranteed at least a food stipend to all guards set to be paid on the first day of each month, midway between APPF scheduled pay dates, which were seldom met.

BVSPC took direct action to expedite the APPF ability to pay. Guard cadre roll calls were taken daily by KHPP staff or, as requested, by the RMC on behalf of BVSPC. Security Staff forecasted guard cadre presence from the 5th of each month until the 20th in order to submit its attendance sheets for the APPF early enough to enable the APPF to process invoices in a timely manner back to KHPP Procurement in order to pay. This scheduling method enabled the APPF to pay on the 21st of each month. A reconciliation would then be undertaken each following month to ensure no overpayment. However, even with this given sequence, the APPF could not effectively process payroll. This ineffectiveness resulted in guard strikes at Durai Junction with threats of strike in Kandahar and Kajaki. The strike in Durai Junction led to a work shutdown of the site for period of nine (9) days and a claim from the

Subcontractor for compensation. BVSPC filed a counterclaim against the APPF, which they rejected out of hand and refused to discuss. This is only one example of the cost of the state monopoly on security services.

As noted above, throughout the subcontract, APPF and BVSPC agreed to forecast the monthly invoice costs to develop the advance payment for that month; however, the provision of the supplies for the guards and the guards' availability varied significantly. Each month, BVSPC and APPF reconciled the services and supplies provided against the advance payment rolling any over/under payment to the next month's forecast. At the completion of work at each location, that reconciliation was performed for Task Order with over/under costs applied to a remaining Task Order. Kajaki was the last location to complete work. Upon reconciliation of the Kajaki Task Order, BVSPC and APPF agreed that a [REDACTED] credit was due to be paid by APPF to BVSPC. Despite efforts by BVSPC, USAID, ISAF, and other organizations, the credit was not issued by APPF to BVSPC. To resolve the liability for this credit, BVSPC and USAID agreed to equally share the cost.

Task iii(2)a. Security Cost Changes

Table 6 lists an assessment of the initial security budget and the actual security costs incurred during the implementation of the KHPP.

Table 6: KHPP Security Costs: Estimated and Actual

Budgeted versus Actual Cost incurred - KHPP Security (Excluding Fee including G&A)			
	Budget	Actual	Cost difference
KHPP Security Staff	[REDACTED]	[REDACTED]	[REDACTED]
Subcontractor Services	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]

As indicated in Table 6, the original security budget for KHPP, including BVSPC Security staff required to manage third party security resources, was [REDACTED]. This was, when estimated, 11 percent of the approved budget estimate for the KHPP. Due to issues noted above and discussed further below, actual security cost (through approximately 20 August 2013) was [REDACTED], an increase of 25 percent above the initially estimated budget. That increase resulted in the security cost being 16.5 percent of total estimated cost for completion.

Task iii(2)b. APPF + RMC Costs versus PSC Costs

Of the cost increase incurred under the KHPP, 68 percent of the increase was due to the increased cost of Subcontractor security services (ISS Safenet, APPF and Pax Mondial RMC). The remaining 32 percent was due to the necessity of increasing BVSPC security staffing in order to manage the APPF transition and the APPF contracting process and, the need to manage within the kinetic nature of Helmand and Kandahar Province during the KHPP implementation period.

APPF cost in addition to RMC costs far exceeded the estimated LOE cost of having PSCs provide security. The increased costs were due to two main factors. First, the cost of local guards and local guard non-commissioned and commissioned officer cadres increased. Although guards were paid very similar salaries by the PSCs and the APPF, the APPF added significant cost for guard kit and support (e.g., uniforms and gear, weapons, ammunition, and food), and also added 20 percent to the cost for profit as well as adding general and administrative fees. Guard non-coms and officers were paid at a much higher level than similar PSC personnel. This cost increase was mainly driven by APPF's stated desire to recruit better quality experienced and trained personnel into tactical leadership positions.

The second factor in increasing cost was the need for Subcontract RMC personnel with different skill sets than those of the original PSC personnel. The need for mentoring/training on a constant basis required the recruitment of security personnel with both military operations and strong training backgrounds. This need increased the costs incurred for RMC services, which were driven by the need to meet the requirements of Decree #62 for bridging services, which included a mentoring requirement.

Task iii(2)c. Black & Veatch Security Personnel Additions

BVSPC originally budgeted for a direct hire security staff of thirteen (13), including Liaison Officers. The number of BVSPC security staff increased to twenty (20) as the APPF unfolded and its impact and the demands of its impact was realized. Of the additional seven (7) positions, five (5) can be directly attributed to the impact of the introduction and slow institutional evolution of the APPF; two (2) can be indirectly attributed to the necessity of managing the APPF evolution in the field. First, a dedicated KHPP Contract Officer was needed to develop the APPF contracts and ensure contract compliance through each invoicing period.

Although BVSPC was addressing the PSC requirements, the APPF requirements significantly expanded the level of effort required to contract for security services when dealing with the APPF. Initially, the APPF attempted a "standard contract" and eventually achieved that objective but, the path was lengthy and required significant input from BVSPC security and contract staff. In addition, two (2) full time APPF Liaison Officers were required in Kabul to directly interact with APPF management on subcontract requirements and invoicing, literally spending nearly all their time at the APPF headquarters, while the equivalent of four (4) other full time BVSPC security staff were added to oversee and manage APPF-RMC interactions in the field in Kabul, Kandahar, and Kajaki.

Under the original KHPP budget estimate, the Regional Camp was co-located with Kandahar East Substation and the 14 unit MTU generating station. The approach allowed efficiencies which were lost when the decision was made to relocate select activities. In addition, no office in Kabul was planned within the original budget, as all activity was to be Kandahar based. The introduction of the APPF changed that requirement due to the need to have multiple liaison officers working daily with the APPF in Kabul. In turn, the need for a Kabul office for APPF interaction purposes

resulted in the requirement of a small contingent of APPF and RMC personnel in Kabul. In an effort to gain the maximum benefit from this imposed cost, BVSPC added a small contingent of local staff in Kabul to address issues of customs clearance, Visas, travel, taxes, and finance, as well as local staff dedicated to the APPF Liaison officers for translation and APPF management and coordination assistance. Overall, the need for the Kabul office had a very direct cost impact on the overall cost of implementing Decree 62.

Task iv. Government Furnished Property

Utilize to extent possible, the equipment and materials transferred to the Contractor (see Attachment g-05 A, Property Conveyed to the KHPP).

Status: COMPLETE

The sources listed in Table 7 provided the equipment and materials transferred to the Contractor by USAID direction:

Table 7: GFE Transferred to KHPP

Source	Equipment/Materials	Estimated Value	Utilization
Afghanistan Infrastructure Rehabilitation Program (AIRP)	See complete listing in Attachment g-05 A (containers, furnishings, computer equipment, split units, vehicles).	See Attach. g-05 A	Kabul Office – KHPP and transferred to Kandahar, used at Kandahar, SIPD, DJCN, Kajaki, Breshna Kot camps.
AIRP	Kajaki Dam Camp (AIRP TO 2 Inventory) - see complete listing in Attachment g-05 A.	See Attach. g-05 A	Kajaki Dam Camp.
IRD/Strategic and Provincial Roads Program (SPR)	IT equipment, cameras, plotter, 2 generators.	See Attach. g-05 A	Transferred to Kandahar, used at Kandahar, DJCN, Breshna Kot camps.
Deloitte Consulting – Economic Growth & Governance Initiative	Computer equipment and software, office equipment.	See Attach. g-05 A	Transferred to Kandahar, used at Kandahar, DJCN, Kajaki and Breshna Kot camps.
USAID	PPE and armored vehicles, hand-held radios.	See Attach. g-05 A.	

The largest quantity of equipment and materials was transferred from the AIRP to the KHPP. The bulk of equipment and materials received were from Camp Eden (AIRP Task Order 8) and Kajaki Dam Camp (inclusive of Camp materials and Unit 2 GFE under the control of LBG under AIRP Task Order 2). The Kajaki Dam Camp equipment and materials consisted of containers, buildings, and associated furnishings and split units, as well as generators and an aged forklift and very aged mobile crane. All equipment and materials received at Kajaki Dam Camp were used and, to the extent viable, transferred to GFA, DABS' on budget Construction

Management At Risk management company implementing installation of Unit 2 for DABS in December 2013.

The Camp Eden equipment and material were used to set up the SIPD camp, and were also used at Durai Junction and Kajaki Dam camps. All furnishings and other equipment transferred under the KHPP contract were utilized at the Regional Base Camp in Kandahar and at other camps as needed over the life of that camp. Inventory received was used to the maximum extent possible throughout the implementation of the KHPP. When equipment or materials were no longer functional, a Lost, Damaged or Destroyed (LDD) form was filed with, reviewed by, and accepted by USAID. At the conclusion of contract Components and Subcomponents, BVSPC followed all USAID instructions for the ultimate disposition / disposal of materials and equipment.

Task v. Regional Support of Camps

The regional camp will be located in the vicinity of Kandahar and will support planning, field operations, and storage of equipment. The regional camp will also provide logistical and support services to all other camps (Durai Junction, Kajaki, Shorandam Industrial Park (SIP), and other camps as required to meet deliverables) for field life support needs.

Status: **COMPLETE**

Refer to Task i above, which also addresses Task v.

Task vi. Static and Mobile Security

The regional camp is to provide coordination and integration support services for static and mobile security as required for all other camps. (Deliverable 3)

Status: **COMPLETE**

Refer to Task iii(2) above which also addresses Task vi.

Task vii. Secure Transportation of Personnel and Goods

The regional camp is to provide logistical services to support secure personnel movement as needed for each camp and shipment of goods as required to meet deliverables under the KHPP, including: (a) helicopter transport, (b) international transport of materials, goods and equipment to Afghanistan border points, and (c) intra-national transport of materials, goods and equipment within Afghanistan. (Task vii addresses Deliverables 4, 5 and 6.)

Status: **COMPLETE**

Task vii was implemented through subcontracts for each of the following services:

- 1) Helicopter transport
- 2) International transport
- 3) Intra-national transport

Each of these subcontracts was developed through FAR compliant tendering procedures managed through BVSPC Procurement using both home office and field Procurement staff as described below.

Task vii(1). Helicopter transport services

Due to the isolated location of its camps at Durai Junction and Kajaki Dam, BVSPC relied heavily upon helicopter services to move personnel and supplies. The ever-present issue of security threats required BVSPC to minimize transport of personnel and materials on ground routes, specifically Highway 1 to Durai Junction and Highway 611 to Kajaki Dam. Ground convoys were used to each destination for material and equipment which could not be shipped by air during the implementation of KHPP; however, KHPP expatriate personnel were always transported by helicopter. ISAF was available to the KHPP, if needed, under *in extremis* circumstances for medical evacuation. Although never called upon, the availability of the service was essential to KHPP performance capability in that it reduced the risk of loss (life) potential.

In the startup mobilization phase of the KHPP, BVSPC utilized a “bridging” helicopter service with MG Services. This service was obtained by an assignment of the service contract the AIRP (LBG/BVSPC) had with MG Services. The assignment, signed 22 January 2011, allowed KHPP personnel immediate access to helicopter services while a forecast of need and an FAR compliant tender was prepared for long-term helicopter services (see **Attachment d-04**). The immediate access of helicopter services allowed BVSPC to conduct aerial observations of the Durai Junction area, as well as visit and assess potential needs in the expected assumption of security, care, and custody of the Kajaki Dam Camp.

On 31 March 2011, a Request for Quotation (RFQ 11-046-042246) was issued to twenty (20) purveyors of helicopter services with the requirement they have access right to Kandahar Airfield (KAF). (See **Attachment d-04**.) Proposals were received from three (3) vendors following the RFQ. Of the three, the Air Operations Manager, with oversight from Contracts and Procurement on 25 April 2011 and following the Technical and Bid Review Committee assessment of bids, recommended that Skylink Aviation be awarded the long-term contract to provide helicopter services to BVSPC [one (1) year with two (2), one (1) year extension options].

On 20 May 2011, following successful negotiations and finalization of terms and conditions of contract with Skylink Aviation, BVSPC filed an RFC with USAID to proceed with award (See **Attachment d-04**). On 14 April 2011, USAID provided consent for BVSPC to proceed with the award to Skylink Aviation to an end date of 14 June 2012 (see **Attachment d-04**). As indicated within the attachments provided, one major benefit of using Skylink is that it had an established and well-secured base with a helicopter ramp, Q (Quebec) ramp, on the military side of KAF. As part of the agreement with Skylink, they were to provide fuel at their cost without additional charges as a direct cost pass through to the KHPP. The advantage of this was the avoidance of a separate fuel contract and the potential that fuel quality issues and risks would fall upon the KHPP budget. The subcontract with Skylink, as with all

other vendors of helicopter services, required a minimum of 720 hours per year (60 hours per month with no rollover allowed) be assured if guaranteed helicopter availability was to be provided. Attempts to gain more flexibility in monthly or annual hourly usage and attempts to procure alternative services that would allow this flexibility were ultimately futile.

Given the high quality and reliability of the services provided by Skylink Aviation and the extension of helicopter needs to 31 December 2013, in the subsequent years of 2012 to 2013, BVSPC opted to extend the subcontract, with a lower cost per hour for flight than the original contract on the first extension. The first extension was from 01 June 2012 to 31 May 2013, with the RFC filed on 18 March 2012 and approved by USAID on 14 April 2012. The second extension was filed with USAID on 27 April 2013 to extend the subcontract from 01 June 2013 to 30 September 2013, which was the expected end date of the Prime Contract between USAID and BVSPC. USAID approved the extension under the terms of the contract on 28 May 2013.

In late September 2013, subsequent to the extension received from USAID, the Prime Contract end date was extended to 31 December 2013. BVSPC filed an additional RFC with USAID on 30 September 2013 to extend the subcontract with Skylink to 31 December 2013. The predominant use for the period was driven by the USAID directive that BVSPC continue to provide life support and security to the Kajaki Dam Camp. On 03 October 2013, USAID provided Consent to proceed with the extension of the subcontract for helicopter services with Skylink Aviation.

Three major issues arose for the utilization and acquisition and USAID Consents for helicopter services. The first issue was the need for Skylink to obtain an Afghanistan Investment Support Agency (AISA) business license. Skylink possessed a valid AISA License when first subcontracted. When questioned, Skylink explained the AISA license was allowed to expire in their apparent belief they were not required to maintain the license. Following USAID's notice that the costs for a non-licensed entity may not be allowable, BVSPC undertook significant effort to (1) find an alternative helicopter service, and (2) continuously coax Skylink to renew their AISA license. Although it took a significant amount of time, Skylink received an extension to their AISA License for July 2013 to July 2014. BVSPC then requested Skylink obtain a retroactive approval of their AISA License for July 2012 to July 2013. BVSPC simultaneously petitioned USAID to recognize the License for the period provided is clear documentation of the significant effort and the success of BVSPC in persuading Skylink to obtain their AISA License. As such, the costs incurred should be deemed allowable by USAID. BVSPC received a response from USAID confirming that cost allowability was no longer in question.

The second major issue concerned fuel costs and forecasted flight requirements. BVSPC used a fixed hourly fuel cost rate for hours flown for forecasts of expected helicopter costs. The fixed hourly fuel cost rate was originally provided by Skylink at a fuel cost which was ultimately found to be lower than actual costs incurred. In addition, BVSPC underestimated the expected hours versus actual hours used. Upon reconciliation, BVSPC determined it had underestimated the final costs for

helicopter services. On 17 January 2014, BVSPC filed an RFC to further modify the Skylink contract in order to pay for the unexpected costs (refer to **Attachment d-04**). Following many questions from USAID and responses by BVSPC, USAID ultimately provided Consent for the additional costs. During this process, USAID did require BVSPC to absorb some of the costs incurred which were incurred solely to mitigate cure related issues at Durai Junction.

The third major issue which impacted the KHPP use of helicopter services arose due to a change in ISAF risk assessment in the use of Kandahar Ramp J (Juliet), which is on the civilian side of KAF. All staff requiring helicopter transport who did not have a KAF Access Badge had always departed from Ramp J. In June 2013, COMKAF (Command KAF) made the decision that helicopters could not access Ramp J and then return to Ramp Q, located on the ISAF side of the airport due to security risks. All helicopters with KAF Military ramp access could only land and depart from ISAF controlled ramps. This change had no notice, and immediately disrupted the KHPP's capability to move personnel. BVSPC had to cancel personnel movements for approximately seven (7) days to remote sites while it searched for an alternative landing and departure arrangement for those staff without a KAF Badge. Working with ISAF, BVSPC was able to arrange for the FOB at SIP to provide, with notice, a secure landing area at SIP. This arrangement solved the problem, but imposed significant additional cost and burden on KHPP security and helicopter resources. All staff not in possession of a KAF Badge had to be securely transported to and from the SIPD site. In addition, the helicopter was required to fly from Q Ramp on KAF to SIPD, then to remote sites and back to SIPD, and finally to Q Ramp, adding an extra hour to each flight. The cost of each flight was [REDACTED] per hour, plus estimated fuel costs of [REDACTED] per hour.

Task vii(2). International Transport Services

BVSPC developed a detailed KHPP Logistics Plan for the delivery of logistics services to KHPP (see **Attachment d-05**, "KHPP Logistics Plan Rev 6"). The Logistics Plan addressed both International and Intra-National transport services. BVSPC gained additional knowledge on the ground and adapted the plan to achieve its logistics objectives as KHPP implementation progressed.

BVSPC tendered for the provision of international transport services following development of a forecast of expected shipping requirements to meet all needs for all Contract Components and Subcomponents. On 02 October 2011, BVSPC filed a FAR compliant RFC with USAID for a Firm Fixed and Unit Price Blanket Order Service Contract with award to Air Express International USA Inc. – doing business as DHL Global Forwarding (DHL) for [REDACTED] for Freight Forwarding and Logistics Services. Following multiple Requests for Information (RFI), USAID rejected the RFC and requested that BVSPC re-file the RFC, eliminating estimated shipments for Kajaki HPP and focusing only on known shipments.

As requirements for international shipments were increasingly implemented with known shipments, BVSPC filed additional RFCs to increase the value of the subcontract as detailed below (see **Attachment d-05**).

On 24 February 2012, USAID granted consent to award a Blanket Order (Not to Exceed) subcontract to Air Express International USA Inc., d/b/a DHL Global Forwarding (DHL) in the amount of [REDACTED].

USAID granted consent to the Amendment 1: Blanket Order (Not to Exceed) subcontract to Air Express International USA Inc., d/b/a DHL Global Forwarding (DHL), in the amount of [REDACTED] on 13 October 2012.

USAID granted consent to the Amendment 2: Blanket Order (Not to Exceed) subcontract to Air Express International USA Inc., d/b/a DHL Global Forwarding (DHL), in the amount of [REDACTED] on 28 November 2012.

BVSPC awarded the Amendment 3: Blanket Order (Not to Exceed) subcontract to Air Express International USA Inc., d/b/a DHL Global Forwarding (DHL), in the amount of [REDACTED] on 24 July 2013.

BVSPC awarded the Amendment 4: Blanket Order (Not to Exceed) subcontract to Air Express International USA Inc., d/b/a DHL Global Forwarding (DHL), in the amount of [REDACTED] on 15 August 2013.

The above consented amendments from the initial consent provided for a ceiling level Not to Exceed a price of [REDACTED] for DHL services.

Multiple shipments were held up in the Port of Quetta at Karachi due to closure of the Pakistan border. The delays resulted in additional demurrage and truck detention charges. BVSPC submitted an additional RFC to USAID to add [REDACTED] to the DHL subcontract to pay for these charges on 28 August 2013 (see **Attachment d-05**.) USAID consented to a total increase of [REDACTED] in the subcontracts' value on 23 September 2013.

Recognizing the potential impact of a breakdown in the importation process, BVSPC took special efforts to track all shipments and customs clearance throughout the KHPP. Refer to "KHPP Import DOC Tracking Report 7" in **Attachment d-05** which provides an example of the information tracked to trigger an early warning should a particular shipment be delayed for any reason.

International equipment and material transportation issues arose which impacted cost and schedule throughout the implementation of the KHPP. As issues arose, USAID was informed and, when necessary, USAID assistance was requested to overcome constraints. The more detailed impacts are addressed in the KHPP Closeout Reports; however, the following provides a brief description of the major issues.

Task vii(2)a. Border Closures between Pakistan and Afghanistan.

Pakistan closed its border to international shipments to Afghanistan due to cross-border conflict on 26 November 2011. Pakistan did not open the border until 04 July

2012, following lengthy discussions and resultant agreements between ISAF, Afghanistan, and Pakistan which permitted the border to open. The 220 day closure backed up all shipments of equipment and materials entering Pakistan, resulting in implementation delays of many projects. BVSPC provided the following table on 15 February 2012 to apprise USAID of the expected impact of the border closure on the implementation of the KHPP.

Table 8: Border Closing Impact Analysis

Project Impacted	Equipment or Materials	Date When Critical Path Impacted	Best Case Arrival based on Current Situation	Options for Alternate Transport
Kandahar City Upgrades	Electrical Panels, Cable, Wire	Already impacted - 3 month delay.	Unknown; Expeditor being sent to Karachi 20 Feb	Unknown if materials can be extracted.
Kandahar Breshna Kot Substation	Transformers and Circuit Breakers	Impact if not delivered by May 2012.	Can be civilian airlifted from India at great cost to project budget.	RC-East looking into military airlift options for electrical equipment.
14 Diesel Gensets	Containerized Gensets and Switchgear	Not impacted – Arrived April 2012 via northern border.	April 2012	
Durai Junction Substation	Transformer, Circuit Breakers and Cement	Impact if not delivered by Mar 2012 for cement; May 2012 for circuit breakers.		Can be civilian airlifted from India at great cost to project budget.
Kajaki Unit 2		No forecast impact yet, but growing concerns about cement.		

During the period the border was closed, USAID was further informed of BVSPC's increasing concerns that Durai Junction (Subcomponent 2.1) and Kandahar MV Distribution Rehabilitation (Subcomponent 1.2) in particular were being heavily impacted in terms of schedule, and therefore cost, as the border closing continued. The individual Component and Subcomponent Closeout Reports provide additional details on these impacts. The impact on KHPP was generally significant, and would have been more severe if not for USAID and ISAF senior level intervention.

In discussions with USAID, BVSPC requested every effort to be taken to get KHPP materials released once the border was opened on 04 July 2012. The estimated backlog indicated 250 days of processing time was needed in order for Pakistan customs to clear all shipments. Through very senior ISAF and USAID intervention, the KHPP electrical materials did receive priority treatment and were released through Customs within thirty (30) days of the end of the border closure.

Task vii(2)b. Customs Procedures

Customs clearance procedures and costs presented a major challenge for the KHPP logistics team. Information required by Customs officials would change without notice both in Pakistan and Afghanistan. Quite often, even if provided with the correct information, Customs officials would ignore the information and request more in what appeared to be an attempt to be “facilitated” in order to clear imports. In all events, BVSPC would inform Kabul Customs of these issues and utilize Kabul officials to leverage border Customs, which eventually would prove successful. However, these events delayed imports and added a significantly time consuming “hassle factor” to obtaining release of equipment and materials. BVSPC increasingly used direct air shipments to KAF in order to ensure more rapid receipt of critical schedule materials. KAF customs officials were much less aggressive in pursuing any type of facilitation fee as long as all proper and accurate paperwork was provided.

Task vii(3). Intra-National Transport Services

BVSPC’s main receiving, marshalling, and highly secure trans-shipment laydown yard was located at the Kandahar Base Camp at AMTEX Village. From this point, materials were shipped to the following locations:

- Breshna Kot Substation
- Durai Junction Substation
- Kajaki Dam Camp and HPP
- DABS Kabul (primarily to the Tarakhil Power Plant)

Separate laydown yards were maintained to marshal and store equipment at each remote site. The purpose of the intra-national transport services was to ground ship equipment and materials, including life support materials, to each site. In select cases, equipment and material were shipped by helicopter to sites, depending on volume, weight, and immediacy of need.

For ground shipments, various Afghan vendors were contracted, and each had different strengths, depending upon what was being shipped and where the equipment and materials were being shipped. Although BVSPC initially sought to establish one Blanket Service Agreement for the intra-national shipping, it later determined that individual contracts for specific shipments would be the most efficient and cost-effective method of performance.

All companies used for intra-national shipping were vetted using USAID’s procedures dictated in Mission Order 201 04 National Security Screening (Vetting in Afghanistan). Companies repeated the vetting process through the USAID Vetting Support Unit whenever a contract award was above the [REDACTED] threshold. **Attachment d-06** provides a listing of the companies which were pre-vetted (“Pre-vetted logistics list”) and then provided the opportunity to tender.

A forecast was developed of expected intra-national shipping needs during the initial mobilization and assessment of the requirements of the KHPP. Recognizing that

Engineer – Procure – Construct (EPC) Subcontractors would provide their own equipment and material transport, the KHPP-led intra-national shipping arrangements were focused on the shipments related to materials procured directly for DABS and those materials that would be needed at the Kajaki Dam location. [See **Attachment d-06** for examples of the assessments developed – “KHPP 23 3100 Kajaki HDRO Transport Est. Rev13a”, and “DJCN 73 1003 Transportation-tentative truckloads 2 (1) Durai Junction.”]

The relocation of the GFE conveyed by USAID from the AIRP (Camp Eden Task Order 8) in the Gardez Province to Kandahar was the first intra-national shipment by the KHPP. The camp disassembly and transportation were covered under one tendered FAR compliant contract with Shufai Construction Company. BVSPC released a tender for a Blanket Purchase Agreement under Solicitation No. KHPP.78.8011 on 03 December 2012 following this shipment.

The tender for a Blanket Service Agreement was pursued to acquire a firm fixed price contract for all of KHPP’s Intra-national shipping needs. Following a FAR compliant tender and evaluation process, BVSPC requested USAID Consent on 05 January 2013 to proceed with the award of the contract in the amount of [REDACTED] to Samiullah Azizi Supplies & Logistics. (See **Attachment d-06** for a copy of the RFC which provides additional detail.)

BVSPC determined a Blanket Service Agreement was not the best method for intra-national transport following the filing of the RFC. Upon further assessment, KHPP determined it was beneficial to use different companies on a one-off tendered basis, depending upon where materials were being shipped. Multiple companies were used, as indicated on the vendor list in **Attachment d-06**, depending on the price offered for single shipments.

The convoys to Kajaki Dam Camp site by Route 611 proved to be the most challenging shipments under the KHPP. Route 611 had been under control of Anti-Government Elements (AGE) during much of 2009 and 2010. US Marine units in 2011 and 2012 were able to gain and maintain control of the most difficult portions of Route 611, especially in the Sangin Valley area heading north to Kajaki Dam Camp site.

Anticipating the need to use Route 611 for Kajaki HPP Unit 2 installation, BVSPC and USAID coordinated closely with US Marine planners on the expected movements of materials on Route 611. Multiple meetings and presentations of expected transport were provided to Regional Command – South West (RC-SW) under US Marine command. In addition to RC-SW, BVSPC coordinated with its own security contacts in ANA and ANP and with DABS Kandahar staff. A set of written procedures was developed and provided to all stakeholders in order to ensure close coordination of efforts. Refer to **Attachment d-06**, “BV Convoy Procedures in RC-SW.”

In total, seven (7) convoys were successfully dispatched from KHPP Kandahar Base Camp to Kajaki HPP along Route 611. Careful planning and coordination were critical to this success. The only convoy that incurred difficulty was the last convoy, which had joined with an ANA convoy of vehicles traveling Route 611. Refer to **Attachment 6** for an Incident Report entitled, “131227 Kajaki Convoy Ambush” for further detail. All other convoys traversed Route 611 under their own security, and were successful in reaching Kajaki without incident. Close coordination with the US Marines, DABS, and District Governors in areas along Route 611 helped achieve this success.

Tenders were utilized to select companies best suited to meet all convoys and other transport needs. Refer to **Attachment 6**, “Request for Consent for Kajaki Convoy,” which provides an example of the standard process used to select and award a transport contract. In addition to the minor damage incurred in the last Kajaki convoy, BVSPC also experienced damage and cargo loss in transporting transformer oil and spare parts from Kandahar to Kabul. Two trucks were hijacked and the cargo was burned by AGE according to the shipper. BVSPC pursued compensation from the trucker, as the trucking company had charged for insurance for the cargo. In lieu of compensation being received from the subcontractor via its insurance carrier, BVSPC withheld funds equivalent to the value of the hijacked goods from outstanding invoice payments to the subcontractor.

Task viii. Budgetary and Cost Reporting

Provide budgetary and cost reporting of program support and program management services in accordance with the component breakdown listed in Table 6:

Table 9: Contract Task viii, Table 6 - Component 3 Subcomponents

Subcomponent	Scope of Work
03.01	Kandahar Life & Office Support and Laydown Yard.
03.02	Kabul Life Support - residential and office facilities.
03.03	Durai Junction Life Support.
03.04	Kajaki Camp, Life, & Office Support.
03.05	Shorandam Industrial Park (SIP) Life & Office Support.
03.06	Kandahar City Security - Static Security support at AMTEX facility and Breshna Kot Substation; mobile security serving all Kandahar area activities and logistical requirements.
03.07	Kabul - Static Security support at Kabul residential and office facilities; mobile security serving all Kabul area activities and logistical requirements.
03.08	Durai Junction - Static Security; air marshal security for helicopter flights.
03.09	Kajaki - Static Security; air marshal security for helicopter flights.
03.10	Shorandam Industrial Park Static Security.
03.11	HELICOPTER TRANSPORT Coordinate and provide helicopter Support to contract components.
03.12	International Shipping - coordinate and provide international transport to Afghanistan for materials and equipment.

Subcomponent	Scope of Work
03.13	Intra-national Shipping - coordinate and provide transport of materials and equipment within Afghanistan, between various office and project locations.
03.14	PROJECT MANAGEMENT OFFICE (PMO) KHPP Management and Support - provide effective program support and program management in support of contract components.

Status: **COMPLETE**

Task viii was enacted under Modification 11 on 23 September 2013, and was required by USAID in order to gain additional transparency on costs being incurred. All costs incurred as initially budgeted were allocated to various Components and Subcomponents. Component 3 costs included 3.01 and 3.02, 3.06 and 3.07, and 3.11 and 3.14. In implementing Task viii, USAID agreed it would not be necessary to “go backward” and reallocate all prior incurred costs into the specific, newly created Subcomponent costs under Component 3. However, in order to gain additional budget clarity under Modification 13, it became necessary to reverse and reallocate all costs which could be identified as belonging to each of the Subcomponent under Component 3.

BVSPC went through the process of reallocating the costs to align with the new budget breakdown. These adjustments primarily occurred in USAID Invoices 90 – 100 and again in Invoice 108. As BVSPC continues to reconcile those amounts, additional adjustments to align with the new budget breakdown may be required.

3.3 Subcontract and Major Procurements

Refer to **Attachment c-05**, which provides a complete listing of all Subcontracts and Major Procurements implemented under Component 3. Component 3 provided the backbone support for all KHPP Management Organization support. The major Subcontracts and Procurements of Component 3 involved the following areas:

- Housing and Offices: Kandahar Base Camp at AMTEX Village, Kabul rental houses at the start of the KHPP, and Green Village and Baron Hotel for the Kabul life support and office operations.
- Helicopter Support: MG Services and Skylink Services.
- Security Services: APPF and RMC (ISS-Safenet and Mondial Risk Management Company).
- Logistics and transportation services, both inter- and intra-national.
- Life support services, including food, dry goods, and cleaning supplies.
- Safety services, including safety equipment.
- Medical services provided at Kandahar Base Camp, as well as all remote sites.
- Travel services provided to all staff for the purposes of business related trips as well as rest, relaxation, and regional rest breaks.

Attachment c-05 provides an explanatory comment column indicting each service being provided by the vendor indicated, including cost incurred.

3.4 Budget and Expenditures

The following summary budget numbers were derived from the BVSPC-USAID agreed budget under Modification 13 in the Prime Contract. These costs reflect the reallocations of costs made in order to update the Modification 13 budget, which has been presented to USAID. The “Billed to Date” column reflects the expenditures billed to USAID through 3 October 2014.

Table 10: Component 3 Forecast and Financial Summary

CLIN	Scope of Work	Budget	Billed through 24 June 2015
03.01	Kandahar Life & Office Support and Laydown Yard.		
03.02	Kabul Life Support - residential and office facilities.		
03.03	Durai Junction Life Support.		
03.04	Kajaki Camp, Life, & Office Support.		
03.05	Shorandam Industrial Park (S IP) Life & Office Support.		
03.06	Kandahar City Security - Static Security support at AMTEX facility and Breshna Kot Substation; mobile security serving all Kandahar area activities and logistical requirements.		
03.07	Kabul - Static Security support at Kabul residential and office facilities; mobile security serving all Kabul area activities and logistical requirements.		
03.08	Durai Junction - Static Security; air marshal security for helicopter flights.		
03.09	Kajaki - Static Security; air marshal security for helicopter flights.		
03.10	Shorandam Industrial Park Static Security.	\$ -	\$ -
03.11	HELICOPTER TRANSPORT Coordinate and provide helicopter support to contract components.		
03.12	International Shipping - Coordinate and provide international transport to Afghanistan for materials and equipment.		
03.13	Intra-national Shipping - Coordinate and provide transport of materials and equipment within Afghanistan between various office and project locations.		
03.14	PROJECT MANAGEMENT OFFICE (PMO) KHPP Management and Support - Provide effective program support and program management in support of contract components.		
03.14B	Provide program management services for KHPP – Project closeout and completion		

Budget is from Prime Contract Modification 13.

Component 3, as the PMO, was responsible for the development and management of all Component and Subcomponent budgets in conjunction with Sector Leads and regional and home office management. **Attachment d-08** provides a budget summary and the final budgets of all Components and Subcomponents reflecting the final agreed budgets between USAID and BVSPC under Modification 13 of the Prime Contract.

3.5 Government Property Summary

The management of government property and its receipt and disposition was the responsibility of the Inventory and Property Control Manager. The Inventory and Property Control Manager reported to the DCOP. The care and custody of government property is a primary responsibility of an Implementer. A KHPP GFE Property Book was maintained throughout the contract period as part of the government property management process. **Attachment g-05b** provides a copy of the KHPP GFE Property Book as of 20 June 2014. As indicated therein, the Government Property Number, description of the property, location, sensitivity or non-sensitivity, value, responsible party for the property, and the disposition status of the property are provided. A property listed as not active is a property which has been disposed of per the direction of USAID.

BVSPC worked closely with the extremely helpful USAID Government Property Officer in all government property dispositions. **Attachment g-05b** contains all final disposition documentation of property received and subsequently conveyed through disposition instructions from USAID. Each Component and Subcomponent Closeout Report addresses property management and disposition applicable to that activity.

3.6 Final Schedule

Attachment a-08 provides a copy of the final schedule applicable to KHPP. The Component 3 schedule was essentially contract duration driven. Table 3 above provides the key Deliverables dates applicable to Component 3 as the PMO. In addition, Table 3 lists the completion dates of each Deliverable. For Component 3, all Deliverable dates were met, with the exception of the Weekly Report delivery dates, which were significantly delayed at the end of the KHPP. This delay was the result of all personnel focus being placed on physical project completion and effective and efficient demobilization.

4 PHYSICAL COMPLETION OF THE WORK

4.1 Documentation of Completion

On July 16, 2015, upon submission of the final draft of the Component 3 Closeout Report for review by USAID, they indicated that their acceptance of the Final Closeout Report would also represent the completion and acceptance of the Component 3 Closeout and thus the acceptance of the closeout of the KHPP project except for the advisory work being conducted under Subcomponent 6.4. The report

acceptance is located under **Attachment m-01b**, and also attached to the closeout report itself.

4.2 Photo Album

Refer to **Attachment a-09**.

5 SUSTAINABILITY

Component 3 represented the KHPP PMO and, therefore, did not have explicit training and sustainability deliverables. However, under Component 3, all CCN staff working within the KHPP received training in: (1) Ethics and Compliance, (2) Code of Conduct, (3) Health and Safety, and (4) functional area training on the job. Sustainability of infrastructure was essential to the implementation of the KHPP. Each Component and Subcomponent where infrastructure was implemented addressed the extraordinary effort undertaken by the BVSPC to ensure sustainability.

6 SECURITY PLAN AND INCIDENT REPORTS

BVSPC operated under a program-wide Security Plan (**Attachment a-02**) managed, coordinated, and updated by the BVSPC Security Manager in conjunction with MRMC and the APPF. Site specific security plans were provided in addition to the project-wide Security Plan, and can be found in **Attachment a-02**.

In addition to daily security operations and planning, KHPP Security Management was required to file Security Incident Reports with USAID. Fortunately, only limited security events occurred during the contract life of the KHPP. However, these events were considerable in impact for many cases, the most significant being the death of a Mondial Risk Management mentor at Kajaki in December 2013 due to an APPF guard's action. **Attachment a-02** provides copy of all Security Incident Reports filed with the USAID security officer.

Refer to Section 3.2: Execution of Work within Task iii(1) for additional details on security implementation within the KHPP.

7 SAFETY AND HEALTH PROGRAMS AND PLAN

BVSPC operated under a program-wide **Health and Safety Plan and Procedures (Attachment a-04)** managed by the BVSPC Health and Safety Manager. BVSPC tracked safety incidents reported throughout the duration of the KHPP.

Table 11 provides a summary of safety events as of the end of September 2013:

Table 11: KHPP Safety Statistics

INCIDENTS REPORTED	KHPP	SUB	TOTAL
First Aid	5	3	8
Medical Treatment	0	0	0
Lost Workday	0	0	0
Property/Equipment	2	0	2
Environmental	0	0	0
Near Miss	0	3	3
TOTAL	7	6	13

In total, KHPP staff and Subcontractors worked well over 2 million hours without a major Occupational Safety and Health Administration (OSHA) recordable safety event. BVSPC provided Safety Training to all staff, including Subcontractor staff, and promoted Behavioral Based Safety (BBS), with all staff and Subcontractor staff achieving very positive results. However, one fatal event where a Subcontractor working offsite at Kajaki Dam Camp ignored fundamental safety practices resulted in the death of one of their staff. BVSPC assessed the event and, as with all Safety Incidents, reported the event to USAID. **Attachment a-04** provides copy of all Safety Incident reports filed during the contract period of the KHPP.

8 QUALITY CONTROL (QC) PROGRAM AND PLAN

BVSPC operated under a project-wide Quality Control (QC) Plan (**Attachment a-05**). There was limited opportunity to apply the three-phase QC methodology within Component 3. However, this methodology was applied in a few select areas, such as the development of the laydown yard at the Kandahar Base Camp at AMTEX Village. Each Closeout Report provides examples of the success and, in select cases, failure of the application of the QC Program and Plan for the KHPP as a whole. In addition, **Attachment a-18**, Weekly Reports, provides the QC weekly report addressing all QC issues for the periods noted.

9 ENVIRONMENTAL CONTROL

BVSPC, under Component 3, submitted its Environmental Compliance Documentation Schedule on 03 February 2011, well within the required 60 day from NTP requirement. On 31 January 2012, BVSPC received an Approved Amended Initial Environmental Examination (IEE) from USAID, which provided guidance for the environmental requirements with which BVSPC would be required to comply. (Refer to **Attachment a-15** for these documents.)

BVSPC operated under a company standard Environmental Control Plan adapted to meet the needs of the KHPP projects. Following a degree of confusion which developed due to the title of submittals to USAID, BVSPC submitted its final draft of the Environmental Monitoring and Management Plan (EMMP) to USAID on 06 December 2012 which, following some discussion, was accepted. Two (2) deliverables were developed and implemented per the plan: environmental training for all KHPP staff and an Environmental Emergency Response Plan following acceptance. (Refer to **Attachment a-14**.)

In addition to the initial EMMP, BVSPC filed Annual and Quarterly Reports as required by USAID and filed the final Environmental Closeout Report which can be found in **Attachment a-17** with the Annual and Quarterly Reports. It must be noted that reports did not begin until construction activity began with each Component and Subcomponent. In addition to the overall KHPP Environmental Closeout Report, Environmental Closeout Reports were prepared for each applicable Component and Subcomponent, and are provided in **Attachment a-16**.

10 STATEMENT OF NO PATENTS, ROYALTIES OR CLASSIFIED MATERIALS

No patents, royalties or classified materials were obtained or generated under the activities of this Component.

11 VALUE ENGINEERING CHANGES

A limited number of value engineering opportunities were available during the course of the implementation of Component 3. The most significant opportunity was the decision to cancel the building of a Kandahar City Regional Camp (KCRC) and, with USAID Consent, to lease facilities at AMTEX Village for a Kandahar Regional Camp. Refer to Section 3.2, Task i, which provides details of what was altered and the resulting savings estimated to be [REDACTED].

12 ENHANCING BEST PRACTICES (LESSONS LEARNED)

A number of enhancing best practices issues, or lessons learned, arose during the implementation of Component 3. These issues are listed in Table 12:

Table 12: Component 3, Considerations from Implementation

Observation	Lesson	Recommendation
Implementing Partners appear to follow a “herd mentality” when addressing life support. Houses were leased and staff hired or camps were built.	Leasing houses and hiring staff or building camps can be more costly than contracting with a full service life support supplier.	Cost benefit assessments should be required prior to allowing implementers to lease houses or build camps comparing a self-performance to a third party supplier of services.
The requirement to utilize government-supplied security services were more costly than an open, competitive market solution.	Every effort to should be taken to avoid a government receiving USAID funds from entering the security business.	Heavier ties are needed between funds provided and actions allowable and not allowable by a recipient government.
Static observations at a single point in time used to evaluate overall implementer results fail to note the entire contribution made by an implementer.	Implementer reviews tend to be biased by the latest events impacting an implementer as to why an evaluation occurs over a 1 year period.	Written implementer evaluations should be performed by USAID on a quarterly basis.

Observation	Lesson	Recommendation
In a kinetic and hostile environment, benefits of cross-organizational support (e.g. DOD and USAID) are disregarded due to concern with the potential mingling of funds.	KHPP incurred costs which could have been avoided if allowed to minimize costs by using available US government resources which were not overburdened.	Consideration of cross-support Protocol Agreements among various US agencies should be considered at the beginning of a program.
Various US agencies appeared to coordinate numerous projects, but quite often failed to fully follow through and occasionally worked for cross-purposes.	Coordination from the start to the finish of a program with all stakeholders is critical and should involve the implementer. Then a final authority to settle issues across agencies is needed when conflict arises.	There should be a program “Czar” for infrastructure programs sponsored by the US government with the authority to enforce cooperation for benefit maximization.
Budget reporting requirements, their format, and depth of data requirements fluctuated throughout the KHPP.	USAID and the implementer spent significant time reviewing and assessing the required budgets changes.	Establish a budget structure and shared database for basic budget inputs (e.g., travel costs) when first initiating a program. Maintain the database as a joint effort and fix reporting requirements for the entire length of a contract.
BVSPC maintained a schedule, ongoing action “hot” lists, and a deliverables tracking matrix from the start of the project. However, as project activity intensified, both KHPP and USAID lessened their focus on these tools.	Without constant discipline in execution imposed by the use of a solid schedule, the deliverables matrix and accompanying action list projects inevitably miss targeted completion dates.	Always have a deliverables matrix and associated action list tied to project schedule to maintain status of program progress as part of contract requirements to which both USAID and the implementer have to respond on a weekly basis.
KHPP’s initial schedule was provided to USAID on 13 April 2011 but was developed with too much detail to be workable as a tool for measuring progress. Over 4,000 activities included in a schedule proved onerous.	Minimize activities in schedules to the extent possible while providing a tool for measuring progress or lack thereof. When subcontracting, integrate the Subcontractors’ schedule into the overall program schedule.	Focus on schedule development and approval at the beginning of a program.

13 WARRANTY

No Warranty applies to this Component.

14 OUTSTANDING ISSUES

Minimal activities are still outstanding related to the completion of the entire KHPP contract. Please note that these actions do not preclude the acceptance of this closeout report:

1. Outstanding Procurement Closeout – There remain a few subcontracts and purchase orders executed during the KHPP that remain open, such as tax consultant services. Also please note that, according to the FAR, these subcontractors have a total of seven (7) years to file claims with the government for work performed.

15 CONCLUSION: IMPACT ASSESSMENT

The importance of Component 3 is measured largely through the impact of each Component and Subcomponent supported by Component 3. Component 3, by its own merits, provided the overall management of the KHPP. Although scheduled dates for the completion of select Components and Subcomponents were missed, often due to factors outside of our control, Component 3 met its objectives overall. Among the most critical of these objectives was achieving results in a hostile and complex environment in a safe manner. Barring the one death noted under Security five (5) days prior to the conclusion of the contract, BVSPC asserts that it achieved significant results within the confines of the original KHPP contract as impacted by changed plans and opportunities.

As indicted in the Performance Monitoring and Evaluation Plan (refer to **Attachment a-12**), a maximum of 588,000 people and, during a monthly average of over three (3) years, 317,540 people were provided the potential capacity to receive health and quality of life benefits from the increased quality, quantity, and reliability of electric supply in the Kandahar and Helmand Provinces brought about by USAID as implemented by BVSPC. In addition, BVSPC employed directly or through Subcontractors approximately 600 Afghanistan nationals during its contract period. The multiplier effect of this employment could only be grossly estimated; nonetheless, it should be recognized as a benefit brought about by USAID under the KHPP.

16 DEVELOPMENT EXPERIENCE CLEARINGHOUSE (DEC)

Documents to be submitted to the DEC resulting from the implementation of Component 3 are listed below.

1. Component 3 Closeout Report – redacted (financial figures to be removed).